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ILLINOIS GOVERNMENT RESEARCH  
UNIVERSITY OF ILLINOIS  
INSTITUTE OF GOVERNMENT AND PUBLIC AFFAIRS

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## THE DEPARTMENT OF LOCAL GOVERNMENT AFFAIRS, 1968-72

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A few years ago, during the heyday of the urban crisis, the role of the state in urban affairs was a hot subject for debate. After years of being ignored, state government, the invisible partner in the federal system, suddenly became the candidate for a new and more meaningful role. One result of this new-found interest — plus the availability of federal funds — was the creation around the country of state departments of local or urban affairs.

In Illinois, legislation brought into life the Department of Local Government Affairs. The story of the department begins in 1968 when the initial studies were made. In this paper we will examine the creation and the first three years of the department. During this period the legislation for the agency was drawn up and passed, the department set up operations and designed several significant programs. We will focus on the strategies behind the creation of the department and the thrust of its early programs. At the end of the paper we will summarize some of the major issues associated with the development of such agencies in state government.

### Development of the Department

The Department of Local Government Affairs (DLGA) was created in the early part of 1969.<sup>1</sup> During the previous summer the Municipal Corporations Committee of the Republican-controlled state Senate had begun research on a local affairs agency. That fall the Republican candidate for governor, Richard B. Ogilvie, took a public position in favor of "establishing a Department of Local Government Affairs to assist municipal governments in planning and technical advancement." After his election in November, Ogilvie urged that the background research on creating such an agency continue. In order to understand the present functions of this agency, it is necessary to outline the early decisions which helped to shape initial departmental policies. The following description is based upon personal involvement at the formative stages and upon interviews conducted during the summers of 1969 and 1973.

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<sup>1</sup> This paper is based on personal observation and upon frequent discussions with the principal DLGA officers, including Robert Lehnhausen and Henry Holling, during the period from 1968 to 1972. Mr. Lehnhausen and Ron Michaelson, formerly on Governor Ogilvie's staff, reviewed the paper. Some of their comments have been included.

### THE TASK FORCE PHASE

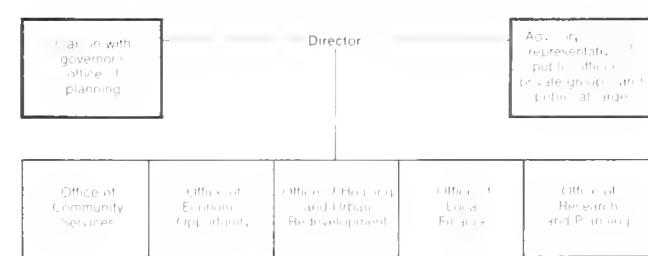
The first step within the Ogilvie administration was the assembling of an informal gubernatorial task force to develop the form and functions of a state agency which would assist local units. The task force consisted chiefly of Ron Michaelson, the governor's aide for local affairs; George Warnecke, the staff counsel for the Committee on Municipal Corporations; and this writer, who was then at the Institute of Government and Public Affairs of the University of Illinois. Temporary members included Donald Tolva of the state Senate staff and William Hanley of the governor's legal staff, both of whom were involved on particular issues.

By the end of 1968 the outline of the proposed code department emerged (see Fig. 1). As envisaged by the task force the agency would serve two basic functions. It would provide a coordinated and comprehensive state level response to local problems, and it would assist local units in solving their own problems, theoretically enhancing the prospects for local self-determination. The task force proposed transferring several existing state units with local responsibilities to the new department. These included the State Housing Board, the Property Tax Appeals Board, the Office of the Fire Marshall, the local responsibilities of the Auditor's Office, some limited planning functions of the Department of Business and Economic Development, and the Division of Local Government and Property Tax from the Revenue Department.

The department proposed by the task force contained three important features:

1. The director of the agency was permitted to provide assistance directly to nonofficial local bodies (the bypass clause)

Figure 1  
PROPOSED ORGANIZATION FOR ILLINOIS DEPARTMENT OF COMMUNITY AFFAIRS



2. "Little state capitols" would be set up in various parts of the state to provide citizen access to the state governmental process.

3. Through consolidation, a single state agency was given comprehensive operational authority in the areas of housing, community services, local finance, poverty, and planning.

Clearly, the agency departed from the traditional and noncontroversial form of ad hoc, fragmented state assistance to official local units, as experienced in Illinois.

### STRATEGIES OF CHANGE

As the task force prepared the measure for introduction in the General Assembly it decided to follow several unwritten legislative rules. First, although the governor's staff wanted passage in the 1969 session, no rigid timetable for implementation was prepared or followed. This is not an unusual procedure in Illinois, where chaotic legislative calendars and periodic executive involvement in legislation preclude adherence to tightly ordered schedules. Second, in line with tradition, the task force cleared major provisions with Senator Arrington, one of the important leaders in the General Assembly. For example, as the bill took shape, the matter of transferring the Property Tax Appeal Board, a matter close to Arrington, was reviewed with his staff. Third, there was an attempt to couch potentially threatening terms in technical language. In Illinois it is common practice to render bills noncontroversial by "thesaurusing" them. In drafting this bill, for example, a temporary member of the task force insisted that the phrase "eliminate poverty" was too strong. With some reluctance, the task force accepted the innocuous phrase, "reduce economic disparities." Fourth, in accordance with formal legislative procedure, it was decided to introduce the measure as a committee-prepared bill but to identify it as an administration priority.

The task force honored some aspects of legislative protocol but rejected others. There was an early decision not to consult the major interest groups affected by the legislation. Interest groups in Illinois customarily have a great deal to say about legislation. In some cases, consultation in the drafting stage is a matter of courtesy; in others, it is a matter of practical politics. In this case, the major interest groups were the Illinois Municipal League and the city of Chicago. The decision not to involve them in the drafting stage was made in full recognition of their influence in Springfield.

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A second major decision was to draft the bill as a highly detailed and specific measure. Normally, legislation of this kind is drafted in general terms so as to maximize administrative flexibility and minimize specific opposition. In this case, however, the bill detailed the powers of the department, outlined the innovative concepts, listed the functions of the divisions, and made specific reference to community organizations, direct contracting, and local centers.

A third innovative approach involved an attempt to coordinate executive and legislative resources in drafting and implementing the bill. Such coordination had been impossible in the recent past because of the split in political parties between the executive and legislative branches.

By January 1969 the basic provisions of the bill were outlined. After several detailed "cleanup" sessions to refine the language and straighten out technicalities, the bill was prepared for introduction in March.

### THE LEGISLATIVE PHASE

Although the proposed new department and its functions were quite unexceptional, the bill creating DLGA generated a good deal of resistance from a number of sources at each stage of the legislative process. Most of the objections were raised during the first hearing on the bill in the Senate Municipal Corporations Committee. Some were technical and concerned transfers of agencies and imprecise language, but many were substantive. The center of controversy was the authority of the director to "bypass local officials and to deal directly with accredited community organizations." This concern over bypassing local officials was summarized in a lengthy memo from the Illinois Municipal League. The director of the league suggested that the department be purely advisory and that all references to community organizations be deleted. He persuaded three of the ten Republican committeemen to withhold support for the bill until amendments were made. The three Republicans were joined by the five committee Democrats, who labeled the bill "the biggest power grab" they had ever seen. By a vote of 8 - 7, the committee chairman was forced to postpone consideration until a compromise could be effected.

Two sides formed over the issues. The Municipal League, on one side, wanted the department to be purely advisory and to have no functioning authority. On the other side, the governor's task force and the committee sponsors insisted that the state had a responsibility to provide direct services. Informal compromise sessions were of no avail, and final agreement on the bill was reached only a few hours before the committee held its second hearing. Compromise language calling for the provision of services *upon request only* was accepted, and all references to community organizations were dropped. These were the major substantive changes. The bill was resubmitted and passed out of committee by a party vote of 10 - 5.

Upon advancement to second reading, the bill was further revised. The language transferring the Office of the Fire Marshall and the local duties of the Auditor's Office was amended out. Although the functions of these offices are minimal and their power relatively insignificant, the agencies were strong enough to prevent an attempted reorganization.

At the time of third reading, there was little doubt that

## COMMUNITY SERVICES

The Office of Community Services, created to serve as a "one-stop service center to local governments," became the star of the department during the first three years. More than any other subdivision, its policies and programs illustrated the approach of DLGA to local affairs.

With a professional staff of ten to fifteen, Community Services provided four kinds of assistance to local units. The division established an information service for local units on federal and state programs. The staff played an advocate role in coordinating the resources of related state agencies such as the departments of agriculture and conservation. It maintained a three- to five-man field staff to provide advice and assistance to local officials. Finally, Community Services assisted local units in matters of budgeting and finance, functions intended in the task force draft for the Office of Local Finance.

There were a number of major programs in the Office of Community Services. Leadership training seminars were held periodically throughout the state to upgrade local officials and provide information on current administrative issues, such as home rule and revenue sharing. A city-county talent bank fashioned after the federal intergovernmental personnel exchange was set up but never got off the ground. Crisis-oriented community development grants were distributed; in one year they totaled \$80,000. Task force studies and reports were prepared on such topics as small town development and revenue sharing. Indeed the role of DLGA in rural development and the work of the Office of Community Services with the governor's special cabinet on small town problems were viewed as major accomplishments of the new agency. The field staff devoted a great deal of time to casework. An urban intern program was established; students from all over the state spent the summer working for various urban governments. The Cook County Council of Governments' intern project was subsidized for a year. Support was given to the Urban Area Study Commission. The office provided information and assistance to local governments on finance and budgeting. A clearinghouse was set up to keep track of federal programs.

Programs like the urban intern experience were extremely popular. Other activities, such as the clearinghouse, were so casual as to be of limited value. At any rate, the programs of this division seemed to be characterized by the following policies:

1. To engage in activities which are technical, like information sharing, or noncontroversial, like debris removal.
2. To provide assistance only upon request, as opposed to taking an aggressive planning role.
3. To work with official agencies and involve only official representatives, as in the leadership training programs and in the hiring of former elected officials as field staff.
4. To spend limited funds in small amounts in several localities, as opposed to concentrating resources on an in-depth project in one area.
5. To focus on downstate, rural communities, rather than large, urban centers.

To some degree these policies and priority areas were developed by the DLGA leadership and staff. In another sense, of course, these activities were a result of legislative direction and were done in strict accord with legislative mandate.

Formerly a separate unit in state government, this agency was intended by the Ogilvie administration to play a secondary role to the Illinois Housing and Development Agency (IHDA). To some extent, knowledge of its intended role prevented Housing and Buildings from developing into the innovative unit which had been Director Lehnhausen's original intention. Yet, because it was loosely coordinated by the governor's staff, the office developed its own programs and policies independent of DLGA direction.

Generally speaking, the office stayed within the traditional programmatic boundaries of the state agency responsible for public housing administration — issuing certificates, approving appointments, and the like. It provided comprehensive technical assistance to the 126 local housing authorities in Illinois, administered its federal HUD training programs, and supervised grant applications for housing-related programs.

In addition, the office initiated new programs in quality, low-income housing development, began occupancy audits of local authorities on a fee basis, and studied low-income housing needs through the Social Service Delivery Systems Project. Another program, related to the HUD Breakthrough Program, involved the construction of modular units on a pilot basis in selected Illinois areas.

The policies which seemed to guide the implementation of these projects were:

1. Administrative agreement between IHDA and the Office of Housing and Buildings (OHB) to assume different roles, with OHB assuming a low profile but nonetheless taking advantage of its statutory flexibility and developing new programs.
2. Emphasis on negotiations and the involvement of local authorities in training programs and pilot projects, rather than on regulation of local authorities.
3. Concentration of limited staff and money in selected program areas (federal grants and federal pilot projects), rather than the provision of broad technical assistance to local authorities.
4. Concern with the noncontroversial physical and administrative aspects of public housing to the neglect of the explosive issues of economic inequality and racial tension.

## RESEARCH PLANNING

The Office of Research and Planning (ORP) was transferred almost intact from the Department of Business and Economic Development (BED). Although the original act was vague as to the planning functions of the new department (statewide and local planning were mentioned in the initial bill), ORP's major activity in DLGA continued to be administration of the federal Comprehensive Planning Assistance Program (the popular 701 grant). In addition, localities were provided with limited technical and advisory planning services (the TAPS program), and the issue of regionalization was studied in depth. Finally ORP was viewed internally as a means of evaluating DLGA's operations. Despite the confusion of the legislation, at no time were ORP's functions redundant with other state planning operations or with the later-created Office of Planning and Analysis.

Research and Planning did not meet its anticipated responsibilities in three key areas. First, the staff did not conduct formal and regular internal evaluations of

To carry out these objectives and provide a coordinated response to local affairs, the DLGA was organized into four operating divisions (see Fig. 2). The divisions functioned until January of 1973, when a new governor appointed a new director of the agency. In the following section of the paper the policies and programs of the department as a whole and of the four divisions are evaluated for the period of January 1969 to January 1973. The analysis is based on DLGA records and on a series of interviews with most past or current officers, division heads, and principal staff available during the summer of 1973.

## POLICIES AND PROGRAMS

There seems to be little concurrence between the five objectives of the bill creating the department and the actual operations of the agency.

1. Despite the goal of dealing more effectively with the urban crisis and the conditions of urban areas, most interviewees pointed out that the department dealt mainly with small, rural, downstate communities; evolved a hands-off policy with regard to Chicago; and, until 1972, largely ignored even suburban Chicago municipalities. It is true, however, that DLGA did attempt to get involved indirectly in suburban activities through the Cook County Council of Governments. Moreover, in fairness to the department, representatives of the city of Chicago rebuffed initial attempts at cooperation by Director Lehnhausen with the comment, "How much money do you have for us?"

At a time when urban problems are often equated with racial problems, DLGA did not have a single black officer on its staff during its first three-year period. More importantly, DLGA had virtually no minority- or race-related programs in operation. The initial legislation had encouraged the agency to be responsive to the particular needs of urban minorities, but the department took no special measures to develop such policies.

2. The record is mixed with regard to the department's efforts to promote an integrated response to metropolitan-wide problems and provide incentives for coordinated planning and consolidation. The effort spent on the metropolitan transit study, the idea of the city-county talent bank, the continuation in DLGA of the Department of Business and Economic Development's legacy of metropolitan planning, and the subsidization of areawide planning agencies indicated some state action in this area.

On the other hand, the actual dollars and staff time allocated to support areawide planning were negligible. Interstate urban areas were largely avoided, almost no work was done with metropolitan-wide special districts. A \$15,000 intern program subsidy was given to the Cook County Council of Governments, which Governor Ogilvie founded, but even this grant was discontinued after one year. In short, little was accomplished during these initial years in the critical areas of metropolitan land use, interagency planning, or financial incentives for consolidation. DLGA did cooperate with study groups, such as the Commission on Urban Area Government, but this type of involvement never went beyond the study stage.

3. The third goal was to make the department a central source of information on state and federal programs. Interviews indicated partial achievement of the original legislative intent. The department staff did keep track of federal programs affecting local areas, and provided basic information on federal grants on an informal basis.

At the same time, it was admittedly difficult for a depart-

ment with a limited budget and staff (five field staff in the Office of Community Services) to follow through on helping a community participate in federal programs. In addition, the department has little influence over the setting of federal or state priorities and must compete for resources under a set of rules which informally earmarks funds to certain constituencies or certain areas. For example, half of the Law Enforcement Assistance money goes automatically to Cook County, and one-twelfth of the state income tax is automatically rebated to existing local units. Much of the process of distribution of state and federal monies is inflexible, not discretionary, and DLGA can do little to adjust this process.

4. The fourth objective was to make state agencies more visible and responsive to local governments. Although the goal is obviously vague and its achievement difficult to measure in any specific way, interviewees made two points. Some argued that through casework by the Office of Community Services field staff, local units were given moral and technical support. The department attempted to be a friend in Springfield to small government throughout the state. This policy was reinforced by the official policy of serving governments only at their request, as the legislation specified.

Others contended that the basic policy of the department was to deal with those local problems that were dramatic and highly visible, but noncontroversial. Three examples illustrate the point. 1) the \$20,000 grant to Crescent City to clean up after a train wreck in the spring of 1970; 2) the \$20,000 grant to Thompsonville to assist after a 1971 tornado; and 3) the coordinated planning offered by the department to the city of East St. Louis after a 1972 railroad explosion. Although the assistance was undoubtedly well intentioned and useful, it reflects the crisis approach of dealing with dramatic and visible emergencies rather than with complex, long-term problems.

5. Finally, the interviewees were asked about the goal of decentralizing state authorities and enhancing local determination and home rule. Several comments were directed to this issue. One respondent pointed out that the director and the staff of the department personally believed in the principle of local control. Consequently, grants and assistance were extended with no strings attached and only at the request of local officials. As another example, the highly publicized training programs for local officials were designed to improve local leadership. Although there was no question that the department honored the home rule principle, it is less clear that this hands-off attitude regarding local officials is the same as citizen local determination. The department never attempted to bypass elected officials or municipal government and deal directly with formal community organizations and other citizens' groups.

Given the mixed responses in these various areas, it is perhaps safest to agree with one respondent that "the department's policy was a lack of policy"; there simply were no clearly defined, departmentwide plans and priorities in dealing with local affairs. Rather, the policies and programs reflected the background and outlook of the first director, a former downstate mayor; the constraints of a legislative body used to dealing with technical problems; and the lack of gubernatorial allocations of money and staff to implement massive change.

If there was no clearly formulated, consistently applied departmental policy, there was a good deal of action at the division level. Division programs and policies illustrate the diversity of the department's roles.

the heavily amended bill would pass the Republican-dominated Senate. The Democrats made a show of opposition, reiterating that the bill "was nothing but a power grab" and would force the city of Chicago to come "hat in hand to Springfield," especially when federal grants were involved. Nevertheless, when the final roll was called, the Democrats "took a walk" and the bill passed the Senate 37 - 4. As the Democratic leader admitted, "[This] was the kind of bill we would like to see pass." Apparently, the proposal had been watered down enough to make it acceptable to "Municipal League Republicans" and "city Democrats" alike. But it was not yet out of trouble.

Following passage in the Senate the bill was routed to the House Executive Committee where, on first reading, it was almost defeated by a vote of 13 - 13. The objections at this point were articulated by a Chicago-area Republican who feared that the department would interfere with federal grants and would "become another NIPC" (Northeastern Illinois Planning Commission). These objections were somewhat irrelevant as the bill never specifically authorized state or regional interference in local control, and federal grants were protected by "non-interference" provisions. Nonetheless, changes were made reflecting these concerns, and the bill was given a "do pass" recommendation.

Although there was no opposition during second reading in the House, at third reading these objections surfaced again. Suburban and some downstate Democrats quietly favored the bill, but Chicago Democrats charged that the bill signaled the end of local authority. Even some Chicago-area Republicans compared the department to an octopus which would grab everything in sight, especially

federal grants. The controversy over community organizations was resurrected by references in the debate to community action activities. In the end, after vigorous horse-trading by the Republican sponsor James Peterson, the bill was passed, 95 - 57.

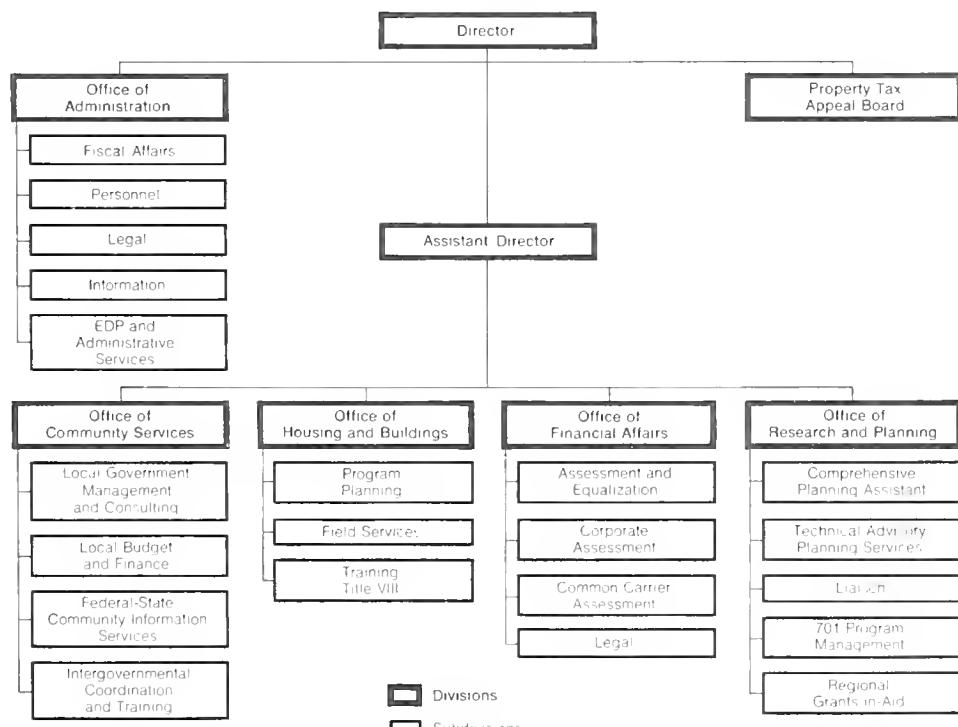
The bill signed by the governor bore only a skeletal resemblance to the original task force draft. In the original bill the director had the authority to work with community groups; now his powers were substantially reduced. The proposed office of economic opportunity was removed. All references to community organizations were deleted. The department was limited to providing services *only* at the request of local officials. The number of local officials on the advisory council was increased, thus reducing participation by at-large members. Little state capitols were not provided for, and only four of the recommended six agencies were to be consolidated into the department.

#### Performance of the Department

The legislative statements which accompanied the creation of the agency outlined five broad goals:

1. To reorganize agencies at the state level to deal more effectively with the urban crisis.
2. To provide statewide financial and technical assistance and incentives for areawide organizations and to reduce fragmentation of government.
3. To establish a central source of information on state, and especially federal, programs.
4. To make state agencies more visible at the local level and more responsive to local units.
5. To strengthen local governments by providing state services upon request.

Figure 2  
ILLINOIS DEPARTMENT OF LOCAL GOVERNMENT AFFAIRS ORGANIZATION DETAIL, JANUARY 3, 1972



DLGA's operations. Second, ORP did little to provide financial or programmatic incentives for local, and especially metropolitan, planning operations. Nor did it assist local planning by ranking and evaluating local, including community, needs and proposing strategies for the state to meet these needs.

#### FINANCIAL AFFAIRS

The legislation creating DLGA transferred the Division of Local Government and Property Tax from the Department of Revenue to the new department. The functions of this division had been to assist local units in such technical matters as budgets, real and personal property tax assessment, and tax district boundaries. Most of these functions were continued in its new location.

In terms of staff and budget, the Office of Financial Affairs (OFA) became the largest division in the new department. Although the legislation referred to assigning new functions, the division continued the program of intercity equalizations, the state assessment of property tax, and the assistance provided to local units. The most visible and popular features of the OFA were soon transferred to the Office of Community Services. Since then, Community Services, through its local budget and financial affairs section, has coordinated the federal revenue sharing plan with local units and administered the state income tax rebate.

In the one area in which OFA attempted to innovate — using new criteria in computing the state equalization factor, which is used to determine tax assessments — the agency received critical press coverage for playing politics with the multiplier. In addition, it was noted that OFA failed to assist in assessing complicated properties such as sophisticated industries and intercounty areas and that during the first three years it failed to seriously study the property tax, even though OFA was the one state agency with authority in this area.

#### Conclusion

By any reasonable measure, the performance of DLGA during its first three years must be rated as mixed. Despite its lack of overall policy and its case-by-case approach to problems, the department accomplished several modest goals. It was a "friend in court" to cities and villages, it channeled some federal and state planning

and emergency money to local units, and it provided limited technical advice. The question, as one observer put it, is whether these jobs are worth doing — whether there should be a state-supported version of the Illinois Municipal League. More than this, the question is, Can such a department be anything more than an upgraded Illinois Municipal League, given the vagaries of politics and the strength of the league in the Illinois legislature?

It is difficult to evaluate the performance of DLGA because it is a new agency with a limited budget and staff, and the statutory expectations were unrealistically great. To accomplish the many objectives outlined in the statutes, DLGA would have had to have been a massive bureaucracy with an unlimited field staff and operating budget. The major criticism of the department is that it could have done so much more even with its limited resources. It might have worked informally but directly with community organizations. It might have concentrated technical resources on metropolitan and regional planning efforts. It might have recognized and publicized the responsibility of state government for urban problems through study commissions and through conferences and training sessions.

To put these criticisms in perspective it should be emphasized that the Illinois experience is not unusual. Around the country departments of community affairs and departments of local government have been criticized for not doing enough to help the cities.<sup>2</sup> These criticisms, while not severe, are the natural result of unmet expectations. In many states, the heady rhetoric of the urban crisis was not matched by delivery of resources or programs. In this context it is perhaps a disservice to "fault" agency administrators on lack of action when in fact they had little staff, money, or legislative authority to accomplish multiple goals imposed on them. If the staff of DLGA during the first three years is criticized for being overcautious and reluctant to get involved, this is at least partly understandable.

Regardless of the specific criticisms of its performance, the Department of Local Government Affairs did achieve its single most important purpose. Merely by its existence the department acknowledged that there is a role for the state in local affairs. This is the department's significant contribution.

<sup>2</sup> Lawrence O. Houstoun, Jr., "Are the States Relevant?" *City* 6 (summer 1972) 43-47



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## THE SMALLER METROPOLITAN AREAS OF ILLINOIS REVISITED

Diane L. Gottheil and Susan Welch

In a 1962 issue of *Illinois Government*, James Coke compared conditions in the smaller downstate metropolitan areas of Illinois with those of the far larger Chicago area. An analysis of several indicators for selected downstate counties and cities revealed that the smaller metropolitan areas were themselves the site of social and economic problems equal in proportion, if not absolute size, to those facing Chicago. At that time, and even more so today, the plight of the large urban areas was a subject of national debate. According to Coke, however, discussion of the problems of the smaller metropolitan areas hardly was heard beyond the confines of the areas themselves.

Coke suggested several possible reasons for the lack of public discussion of the problems of these smaller areas. First, problems of housing or employment in larger cities, even if proportionally no larger than in smaller cities, created more people who were discontented, which in turn led to larger numbers of people and groups becoming involved in articulating their problems. He also speculated that the social and economic problems of the larger cities were more concentrated, creating highly visible slums in parts of the city. Larger cities also support many more voluntary organizations, which in turn may become involved in enunciating community problems. Moreover, the greater number of professionals in large metropolitan areas provides a larger and more specialized leadership pool for these groups. In sum, Coke attributed the greater attention to the problems of the larger metropolitan areas to their visibility and to public involvement in these problems, but the problems themselves were not of a relatively greater magnitude.

After providing an overview of population changes in Illinois metropolitan areas during the 1960s, this paper reevaluates and updates the findings of Coke from a number of perspectives. First, using both city and county census data, we compare the downstate and Chicago metropolitan areas in 1960 and 1970. Insofar as possible we have relied on the same indicators as Coke. Second, we have broadened the scope of the analysis by using additional, "quality of life" indicators to compare the two areas. We specify the criteria on which a downstate-Chicago comparison could be based, and then compare the areas according to these criteria. Adding quality of life indicators to the economic measures used by Coke yields conclusions somewhat different from his 1962 results. Third, from our updated and broadened findings we reevaluate Coke's argument concerning public attention to the problems of medium-sized cities.

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### Population Trends in the 1960s

The Standard Metropolitan Statistical Areas (SMSAs) defined by the Bureau of the Census include every county containing a city with more than 50,000 population, plus adjacent counties that are economically tied to the central city. The eight Illinois SMSAs in 1960 increased by one in the 1970 census, with the addition of Bloomington-Normal. The nine SMSAs include seventeen of the 102 counties in Illinois. The counties included in the SMSAs, their population, and population growth during the decade are reported in Table 1. The huge difference in population between the Chicago and downstate SMSAs is readily apparent. The Chicago area has thirteen times the population of the next largest SMSA, and seventy times the population of the smallest Illinois SMSA.

Population growth during the decade of the 1960s occurred in all SMSAs, but the range in amount of growth was fairly wide. Three downstate metropolitan areas had the highest rates of growth, Champaign-Urbana, Bloomington-Normal, and Rockford.

Unlike SMSAs some Illinois cities lost population during the decade. The city of Chicago, which contains half the population of the Chicago SMSA, lost 5.2 percent of its population during the decade of the 1960s, while many Chicago suburbs had rates of growth exceeding 100 percent. Growth of cities within the downstate SMSAs was less spectacular than in the Chicago suburbs. Eighteen of the twenty-four cities in the downstate areas exceeded the statewide average growth of 10.2 percent during the decade. Of the five cities with less than 5 percent population increase, four were in the economically depressed Illinois portion of the St. Louis SMSA (East St. Louis, Centreville, Granite City, and Alton), and the fifth was Rock Island. Cities not part of an SMSA had a much slower rate of growth.

In sum, the downstate metropolitan areas as well as the suburban Chicago metropolitan area experienced great population growth during the 1960s. Population loss in Illinois was found in the city of Chicago, some of the areas around St. Louis, and in the smaller towns of the state.

### Economic Comparisons of Chicago and Downstate SMSAs, 1960 and 1970

Comparisons between the Chicago and downstate SMSAs were initially based on both the city and the county as the unit of analysis to determine if the unit examined affected the results in any way. Because no substantial differences were found, both county and city data are reported (see Tables 2 and 3) but the discussion focuses mainly on county data.

We have divided the SMSA counties into four groups, separating Cook County from the suburban Chicago SMSA

**Table 1**  
**STANDARD METROPOLITAN STATISTICAL AREAS IN ILLINOIS**

SMSA	Counties included	Population 1960	Population 1970	Population change 1960-70
Bloomington-Normal	McLean	83,877	104,389	24.5%
Champaign-Urbana	Champaign	132,436	163,281	23.3
Chicago	Cook, DuPage, Kane, Lake, McHenry, Will	6,220,913	6,977,611	12.2
Quad Cities <sup>a</sup>	Rock Island	150,991 <sup>b</sup>	166,734 <sup>b</sup>	10.4
Decatur	Macon	118,257	125,010	5.7
Peoria	Peoria, Tazewell	288,833	341,979	9.1
Rockford	Boone <sup>c</sup> , Winnebago	230,091	272,063	18.2
St. Louis	Madison, St. Clair	487,198 <sup>d</sup>	536,133 <sup>d</sup>	10.0
Springfield	Sangamon	146,539	161,335	10.1

<sup>a</sup>Term includes Rock Island, Moline, and East Moline in Illinois and Davenport, Iowa

<sup>b</sup>Population for Illinois segment of SMSA only Total population for SMSA in 1970 was 362,638

<sup>c</sup>Boone County not part of Rockford SMSA until 1970 Population figure for Winnebago County alone in 1960 was 209,765 Percent change in population for Rockford SMSA calculated using the total Boone and Winnebago population base in 1960

<sup>d</sup>Population for Illinois portion of St. Louis SMSA only Total population for SMSA in 1970 was 2,363,017

counties, and the two suburban St. Louis metropolitan counties from the other downstate counties. This breakdown will provide additional information about areas that are fundamentally different, without obscuring our original downstate-Chicago focus. Initially, we expected that the suburban Chicago counties would be more affluent than Cook County, and the suburban St. Louis counties would be less well off than the rest of the downstate metro areas; our analysis largely confirmed these assumptions.

In 1960, Coke found that selected downstate metropolitan areas had substantially lower median family incomes and per capita incomes than the Chicago metropolitan region. Using all counties comprising the SMSAs we find that downstate-Chicago differences are substantial in both 1960 and 1970. In fact, with both of these income criteria the *maximum* income for a downstate

SMSA county is less than the average Chicago SMSA county income. In the decade of the 1960s, family and per capita income increased by a slightly larger percentage figure for the downstate areas, but in absolute dollars the residents of the downstate SMSAs were worse off in 1970 than in 1960 relative to residents of the Chicago region.

Housing quality was measured by Coke as the percent of houses in sound, deteriorating, and dilapidated condition in Chicago and six downstate cities. The 1970 census did not rate dwelling units according to these criteria but did indicate whether or not each housing unit has plumbing facilities. Using this measure, we find downstate housing inferior to Chicago housing in 1960 but not much different in 1970.

Coke also compared the downstate and Chicago areas with respect to income and housing conditions for black residents. We found that the black population of the downstate SMSAs has grown considerably since 1960; for example, in the Rockford area from 8,800 to almost 16,000, in Peoria from 10,300 to 15,000; in Springfield from 6,000 to 8,000, and in Champaign County from less than 7,000 to more than 10,500. These absolute numbers seem quite small when compared to the black population of 1,226,673 in the entire Chicago SMSA, 1,180,968 of whom live in Cook County. In total, 86 percent of the Illinois black population resides in the Chicago SMSA, 5.5 percent in the St. Louis SMSA, and an additional 5 percent in the other downstate SMSAs. These proportions are essentially unchanged from 1960. Only several thousand Illinois blacks live outside the various SMSAs, with most of this number residing in Kankakee (11,000) or Vermilion (5,900) counties.

Using Peoria as a case study, Coke found that, like their counterparts in the Chicago metropolitan area, black

## ILLINOIS GOVERNMENT RESEARCH

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**Table 2**  
**DIFFERENCES BETWEEN CHICAGO AND DOWNSTATE SMSAs**  
**BASED ON COUNTY AGGREGATES**

	1960				1970			
	Cook	Other Chicago SMSA <sup>b</sup>	St. Louis (III) SMSA	Other downstate SMSAs <sup>c</sup>	Cook	Other Chicago SMSA <sup>b</sup>	St. Louis (III) SMSA	Other downstate SMSAs <sup>c</sup>
Median family income <sup>a</sup>	\$ 7,341	\$ 7,408	\$ 6,430	\$ 6,450	\$ 11,640	\$ 12,630	\$ 9,900	\$ 10,560
Minimum county	—	6,760	—	6,080	—	11,790	—	10,150
Maximum county	—	8,300	—	Champaign 6,890	—	14,460	—	Champaign 11,000
Per capita income <sup>a</sup>	\$ 2,460	\$ 2,315	\$ 1,860	\$ 2,020	\$ 3,770	\$ 3,800	\$ 2,970	\$ 3,340
Minimum county	—	1,990	—	1,920	—	3,390	—	3,190
Maximum county	—	2,650	—	Champaign 2,110	—	4,260	—	McLean 3,420
		DuPage		Winnebago		DuPage		Sangamon, Winnebago
Houses with plumbing	82.7%	86.2%	74.5%	78.5%	97.0%	96.4%	94.5%	96.5%
Minimum county	—	78.0	—	76.3	—	94.0	—	95.0
Maximum county	—	Will 96.1	—	Macon 81.0	—	McHenry 98.0	—	Macon 97.0
		DuPage		Winnebago		Lake		5 counties
Black/white median income	— <sup>d</sup>	—	—	—	64	76	58	65
Minimum county	—	—	—	—	—	68	—	56
Maximum county	—	—	—	—	—	Lake 84	—	McLean 68
						DuPage		Winnebago
Retail sales per capita <sup>a</sup>	\$ 1,600	\$ 1,520	\$ 1,210	\$ 1,490	\$ 1,830	\$ 1,620	\$ 1,340	\$ 1,740
Minimum county	—	1,320	—	1,110	—	1,370	—	1,320
Maximum county	—	1,630	—	Tazewell 1,670	—	Will 1,890	—	Tazewell 2,170
		Kane		Peoria		Kane		Peoria

<sup>a</sup>Income figures for 1960 and 1970 are based on data for the previous year. Retail sales figures for 1960 are based on 1963 data and for 1970 on 1967 data.

<sup>b</sup>Figures are averages for the five Chicago SMSA counties outside Cook County.

<sup>c</sup>Figures for 1960 are averages for the seven downstate SMSA counties excluding the two St. Louis SMSA counties in Illinois. In 1970, nine counties were used in the computation.

<sup>d</sup>No data available for 1960.

Sources: 1960 housing data are from Governmental Units Analysis Deck, Data Library Service, University of Wisconsin. All other data are from U.S. Department of Commerce, Bureau of the Census, *County and City Data Book*, 1962, 1967, and 1972. Many of the data in this and other tables were made available by ISEIRD, Department of Agricultural Economics, University of Illinois at Urbana-Champaign.

residents tended to have lower incomes than whites, and blacks were disadvantaged in terms of other economic indices as well. Living conditions for blacks in the Peoria area were no better than in the Chicago area, where these conditions had received considerably more attention. Using as our measure of black equality the ratio of family income of blacks to whites in each SMSA county, we found that by 1970 in the downstate areas blacks fare worse in relation to whites than do blacks compared to whites in Chicago. For example, in Cook County black family income is only .64 that of whites, this is the lowest ratio of any of the six Chicago SMSA counties. But in four of the nine downstate SMSA counties (Champaign, McLean, Madison, and St. Clair), black/white income ratios are worse than or equal to this. No downstate county has a black/white income ratio as high as the mean six-county Chicago SMSA level. Thus, in terms of one basic criterion — income — blacks fare worse in the downstate areas than in the Chicago metro area. When these ratios are coupled with the fact that downstate incomes tend to be lower than Chicago metropolitan area incomes, the plight of the downstate black is further highlighted.

Community size may be one explanation for the worse situation of black residents in downstate areas. Except for the East St. Louis area, the black communities of the downstate metropolitan areas are relatively small, they number, at most, 15,000 population. This means that no impetus has been provided for the development of a large, black middle class which can specialize in providing services only to the black population itself. The number of doctors, lawyers, and other independent professionals needed to service communities of this size is not large. The middle class is based on white-collar workers employed in the white community, on independent businessmen whose market extends either into the white community or beyond the immediate metropolitan area, or on highly skilled blue-collar workers able to earn a large salary. It is in the large metropolitan areas with their many corporate employers and higher union membership that the opportunities for large-scale, white-collar employment and highly paid blue-collar jobs for blacks are most likely.

This line of reasoning is supported by the fact that the best black/white income ratios in the downstate metro

**Table 3**  
**DIFFERENCES BETWEEN CHICAGO AND DOWNSTATE SMSAS**  
**BASED ON CITY AGGREGATES**

	1960		1970	
	Chicago SMSA	Downstate SMSAs	Chicago SMSA	Downstate SMSAs
Median family income <sup>a</sup>	\$ 8,700	\$ 6,310 <sup>b</sup>	\$ 14,030	\$ 10,150
Minimum city	6,740	4,840	8,900	6,650
Maximum city	Chicago 13,010	E. St Louis 6,870	N Chicago 21,760	E. St Louis 12,000
	Highland Park	Rockford	Wilmette	Peoria
Per capita income <sup>a</sup>	\$ 2,803	\$ 2,098	\$ 4,290	\$ 3,240
Minimum city	2,126	1,493	2,430	1,960
Maximum city	Chicago Heights 5,131	E. St Louis 2,365	N Chicago 7,430	E. St Louis 3,550
	Highland Park	Moline	Highland Park	Bloomington
Houses with plumbing	91.2%	78.5%	98.7%	96.3%
Minimum city	78.3	57.7	95.0	92.0
Maximum city	Chicago Heights 99.9	E. St Louis 86.2	Joliet 100.0	E. St Louis 99.0
	Park Forest	Pekin	9 cities	Rantoul
Black/white income	— <sup>c</sup>	— <sup>c</sup>	78 <sup>d</sup>	70 <sup>d</sup>
Minimum city	—	—	50	48
Maximum city	—	—	Highland Park 114	Champaign 88
			N Chicago	Rantoul
Retail sales per capita <sup>a</sup>	\$ 1,984	\$ 1,821	\$ 2,170	\$ 2,130
Minimum city	664	1,082	260	530
Maximum city	Calumet City 3,330	Urbana 2,459	N Chicago 4,070	Normal 3,090
	Oak Lawn	Moline	Niles	Bloomington

<sup>a</sup>Income figures for 1960 and 1970 are based on data for the previous year. Retail sales figures for 1960 are based on 1963 data and for 1970 on 1967 data.

<sup>b</sup>Figures are averages for the 22 cities over 25,000 population in the Chicago SMSA in 1960. In 1970, there were 36 cities over 25,000. Figures are averages for the 13 cities over 25,000 population in the downstate SMSAs in 1960. In 1970, there were 16 cities over 25,000.

<sup>c</sup>No data available for 1960.

<sup>d</sup>Cities with less than 400 black population not included.

Sources: 1960 housing data are from Governmental Units Analysis Deck, Data Library Services, University of Wisconsin. All other data are from U.S. Department of Commerce, Bureau of the Census, County and City Data Book, 1962, 1967, and 1972.

areas are found in Macon (Decatur), Rock Island, Peoria, and Winnebago (Rockford) counties, where there is a substantial amount of industrial employment, rather than in McLean (Bloomington-Normal) and Champaign (Champaign-Urbana) counties, where education and agriculture are the largest employers. However, closer inspection of the county data reduces the difference between blacks and whites in downstate areas by including the generally lower income of the mainly white, rural population. Using cities as the unit of analysis, the differences in black/white income ratios between the more industrial downstate metropolitan areas and those where agriculture or education is the primary industry disappear. With the exception of Rantoul (the location of Chanute Air Force Base), the ratio of black to white income in all downstate cities is lower than the average for Chicago area cities.

Because we could not find data for all cities comparable to Coke's vacancy rate in downtown office buildings, we used retail sales per capita as a rough index of economic vitality of the county. We expected retail sales roughly to parallel income in the area, and where sales are relatively lower it may indicate that an area has let its downtown deteriorate without providing adequate substitute retail outlets for area residents. Some advantage was found in

the Chicago SMSA in 1960 but there was little difference between Chicago and downstate SMSAs in 1970. The downstate metro areas had very slightly more retail sales per capita than did the Chicago area, although Peoria County exceeded every Chicago metro county by a substantial amount in 1970 and a small amount in 1960. The large retail volume of the downstate areas reflects sales both to urban residents and to large numbers of rural residents surrounding the metropolitan areas.

In sum, data for 1970 show that economic problems, especially for black residents, appear greater in the downstate areas, whereas there is little difference between the Chicago SMSA and other metropolitan areas of Illinois in either adequacy of housing or retail activity. We now proceed to a more extensive analysis of the quality of life in Illinois metropolitan areas.

#### Toward Some Measures of the Quality of Life

We have examined five indicators akin to those used by Coke in 1962, but these indicators seem to have little central focus. What we would really like to know is how the quality of life in downstate metropolitan areas compares with the quality of life in the Chicago area. To measure this, we must look at more than just income,

**Table 4**  
**SOME QUALITY OF LIFE INDICATORS FOR ILLINOIS SMSAs,  
BASED ON COUNTY AGGREGATES**

Quality of Life Indicators	Chicago SMSA		Downstate SMSAs	
	Cook County	Suburban counties	St Louis (Ill.) counties	Other counties
<i>Income and Employment</i>				
Families below \$3,000 (1969)	7 0%	4 0%	9 0%	6 6%
Unemployed (1970)	4 0%	2 8%	6 0%	3 8%
<i>Education</i>				
Median school years completed (1970)	12 1	12.3	11 3	12 2
Less than 5 school years completed (1970)	5 1%	2 6%	4 8%	2 6%
<i>Housing</i>				
Crowded units (1970)	18 7%	7 6%	11 0%	6 6%
<i>Health</i>				
Infant deaths/1,000 live births (1969)	22 4	19 9	25 0	18 9
Physicians/100,000 pop. (1971)	178 1	133 7	76 5	117 9
<i>Social Disorganization</i>				
Robberies/100,000 pop (1970)	479 4	62 5	135 7	97 0
Admissions to mental health facilities/100,000 pop (1971)	252 6	154 8	230 3	269 1
<i>Social Participation</i>				
Voting age pop. registered (1970)	71 5%	69 2%	73 4%	69 2%
Voters in voting age pop (1970)	51 8%	46 5%	44 2%	45 6%

Sources: Illinois, Office of Planning and Analysis, *Statistical Report*, 1972, U.S. Department of Commerce, Bureau of the Census, *County and City Data Book*, 1972, and *General Population Characteristics*, 1970.

housing, and retail sales. When we use the phrase "quality of life," we are suggesting that indicators other than economic conditions need to be considered in assessing the social well-being of a community. Life in the large metropolitan areas may not be eased by higher incomes if levels of health care, environmental quality, or safety in the streets are inferior to what is found in other areas. Indices of crime, mental illness, education, and so forth may show the downstate areas to be more stable, secure communities.

Recent studies have pointed to a number of indicators that may be used to measure aspects of the quality of life. There is general agreement that the following areas contain important information on social well-being: income and employment, education, housing, health, social disorganization, and social participation. These areas are listed in Table 4, along with the indicators we have used to measure them. The indicators were chosen after review of the literature on social indicators and examination of studies of the quality of life in various localities in the United States.

#### INCOME AND EMPLOYMENT

Although we have noted that other aspects of social well-being are significant, the importance of money for ful-

filling needs and providing access to goods and services should not be underestimated. The percentage of families below \$3,000 annual income and the percentage of unemployed broaden our earlier income measures. These two variables point specifically to the extent to which there is a particularly deprived segment in the larger population.

#### EDUCATION

As a criterion of social well-being, education suggests mobility, improved earning capacity, increased career opportunities, and a greater range of alternatives generally. Median school years completed provides a measure of exposure to the educational process. The percentage of adult population with less than five years education measures the size of the group that may be particularly disadvantaged because of little exposure to education.

#### HOUSING

Percentage of units with more than 1 01 persons per room is an indicator of crowded housing conditions. Together with our previous measure of units which lack plumbing, these housing indicators describe an important aspect of the environment. Were data on variables related to

air and water quality available, and perhaps some measure of neighborhood conditions, we might have called this area of social concern "environmental quality."

## HEALTH

Infant mortality rate is widely accepted as an indicator of level of health. The relative number of physicians in a community is a somewhat problematic indicator because we cannot say with certainty that having more physicians insures better health.<sup>1</sup> Nevertheless, we have included it here as a measure of potential access to medical care through availability of physicians.

## SOCIAL DISORGANIZATION

Robbery rates and rates of admissions to mental health facilities are rather vivid indicators of the degree of personal and community stability and security. Due to inaccuracies in reporting, however, robbery rates tend to underestimate the actual occurrence of the event. Proximity of a mental health facility to a particular community may inflate the rate of admissions in such areas and decrease the rate in communities where access is less convenient.

## SOCIAL PARTICIPATION

We have limited the indicators of social participation to two measuring participation in politics—registration and voting. Variables related to participation in voluntary organizations, family life, or church activities might give a more complete measure of social participation, were such data available.

These indicators enable us to compare the quality of life in the Illinois counties we are examining. As in our initial county analysis, we have separated out the figures for Cook County and for the two Illinois counties that are part of the St. Louis SMSA. Because we have limited the indicators to those for which data are readily available, the analysis provides a base line for other studies assessing past or future trends. It can also be used to examine the impact of public policies designed to affect one or more of these areas.

## The Quality of Life in Illinois Metropolitan Areas

The two indicators of income and employment show that, with the exception of the St. Louis area counties, downstate is somewhat better off than Cook County. The suburban counties in the Chicago area are better off than either Cook County or downstate and considerably better off than the St. Louis area counties. The portion of the St. Louis SMSA population either in the poverty bracket or unemployed is more than double that of the suburban Chicago counties.

Differences among residents of the four areas in median school years completed are rather small. The only clear difference was in the lower figure for the St. Louis counties compared to the three other parts of the state. The percentage of adult population with less than five years of school is somewhat higher in Cook County than in the St. Louis area counties, both areas compare unfavorably to the Chicago suburban counties and the downstate

metropolitan counties. The downstate areas are fairly close on this criterion, with Champaign County having the highest median education, 12.6 years, and six counties having the lowest, 12.1 years.

Chicago suburban counties and downstate metropolitan counties are similar in percentage of crowded housing units, with housing conditions in both areas better than in the St. Louis suburban counties. Housing conditions in Cook County, however, are considerably worse than in the other areas. Again, little variation was found among downstate counties with McLean having the lowest percent of crowded units (5.1) and Tazewell the highest (7.7).

Infant mortality rates are highest in the St. Louis area counties, with Cook County somewhat lower. The suburban Chicago area counties and downstate fare considerably better, and their rates are similar. Cook County leads in number of physicians in the population—no doubt because of the number of medical schools and centers in the Chicago area—followed by the suburban Chicago and downstate counties. The proportion in the East St. Louis area is less than half that in Cook County. The variations in physicians per 100,000 population are quite large among downstate SMSAs, ranging from 70.8 in Boone County to 167.6 in Champaign County.

Residents of Cook County are subject to a much greater robbery rate than that found in the surrounding counties of the Chicago SMSA. The robbery rate is almost eight times greater in Cook County than in the suburban Chicago counties. On this indicator of social disorganization, we found conditions to be considerably better downstate than in Cook County, but still not as good as in the suburban counties of the Chicago SMSA, where the robbery rate is lowest of the Illinois areas we examined. The range in downstate areas was great; Boone, for example, had a robbery rate of 7.9, while the rate in Peoria County was 233.8. Nevertheless, this range is not as great as that between Cook and its suburban counties.

On rates of admissions to mental health facilities, once again the suburban Chicago counties do better than the other areas perhaps because in higher income areas residents tend to use private facilities. The St. Louis area counties are next, followed by Cook County. The downstate counties rank poorest on this indicator, and among them Peoria and Rock Island have rates of mental health admissions that are considerably higher than the other counties. Among the Chicago suburban counties Kane has the highest rate. Each of these three counties has a rather large mental health facility located in it, whereas no such facility is found in the other downstate or Chicago suburban counties, suggesting that this indicator may indeed be influenced by the convenience of a mental health facility to residents of the county. Nevertheless, in six of the nine downstate counties—four of which have no mental health facility—admission rates are higher than any of the Chicago suburban counties with the exception of Kane.

On both indicators of social participation—registration and voting—the differences among our four areas are slight. In all areas the great disparity lies in the proportion of registered voters who actually vote. The East St. Louis counties have the lowest voter turnout, Cook County the highest, with the suburban Cook counties and other downstate counties in between. We have used figures for a nonpresidential election year; hence, a portion of the nonvoters may have been drawn to register by involvement in national issues, but did not maintain this

<sup>1</sup> This may also be true for the education measures, in that more years of schooling may not produce better-educated people.

involvement by voting in an off-year election

The difference among the downstate areas themselves is again large. In both registrants and voting, Champaign County ranks low (49.7 percent and 34.1 percent, respectively) while 85 percent of Tazewell County eligibles are registered and about 60 percent of Sangamon County eligibles vote. The large student population of Champaign County undoubtedly depresses its political participation rates.

If we look again at the figures reported in Table 4, what can be said about the quality of life in each of the four parts of Illinois we have examined? The suburban Chicago SMSA counties appear to fare the best on this set of indicators. They appear weakest in social participation, but the differences are slight. On levels of income, employment, and education, they are the highest, and they do best on the two measures of social disorganization. In housing and health, they still compare favorably, topped only by one other part of the state in each of these areas.

The performance of the downstate SMSA counties, excluding the St. Louis SMSA counties, is the next highest. The infant mortality rate and percentage of crowded housing units are lowest in the downstate counties, and on education they are almost identical to the Chicago suburban counties. The robbery rate is lower only in the suburban Chicago counties, and although the number of physicians in proportion to the population is low, the figure is not very different from that of the suburban Chicago area. Only the admission rate to mental health facilities suggests that it is difficult to make a general statement about the quality of life in downstate metropolitan areas. We may be able to say that personal safety is greater in the smaller metropolitan areas given the lower robbery rate, but we cannot conclude that personal security on the psychological level is enhanced.

Cook County, which includes a major central city, and the two suburban St. Louis counties, which are part of an SMSA with a major central city, fare less well in almost all the areas of social concern than do the other two parts of Illinois. Conditions in Cook County are generally worse than in its suburban counties and the downstate counties, and considerably worse in number of robberies. It excels only in the number of physicians in proportion to the population. On the other measure of health it does not differ greatly from other parts of the state. The two St. Louis counties fall at the lowest performance level on several measures of the quality of life, and close to the bottom on others.

All of our indices, taken together, give a contradictory picture of the quality of life in the Chicago and downstate areas. These measures have identified areas of social well-being in which the smaller metropolitan areas of Illinois fare better than the Chicago area, and emphasize the contrast between Cook County and the surrounding suburbs of the Chicago SMSA. Incomes may be higher in the Chicago area, but for residents of Cook County slightly larger pockets of poverty and greater unemployment levels accompany the higher incomes. Moreover, most of the indicators separate the suburban counties of the Chicago SMSA and the downstate metropolitan areas on the one hand, and Cook County and the St. Louis SMSA Illinois counties on the other. Social well-being in metropolitan areas of Illinois appears to be lagging in Cook County and the two downstate counties of the St. Louis area. In these two parts of the state, the black proportion

of the population is greater than in any of the other metropolitan areas. The deprivation that usually accompanies high percentages of black residents accounts for the greater similarities between Cook County and the suburban St. Louis area counties in Illinois.

### Response to Problems

Coke asserted that the problems of downstate SMSAs went relatively unnoticed in comparison with big city problems even though the problems were as great. He attributed this in large part to lack of indigenous activity in the smaller cities directed toward publicizing and rectifying city problems. This explanation was presumably based on his feeling that the press and government give much more attention to the huge metro areas than to Peoria, Springfield, or other small communities. It seemed to us that this statement might be invalid on at least two counts: first, the problems of the downstate areas may not be as great, and, second, the level of attention paid to them may be equal. Our analysis has already shown that in many respects the downstate areas are better off than the central city area of the Chicago SMSA and the suburban St. Louis counties. To determine the extent to which attention is paid to those problems, we examined two indicators of concern about problems in metropolitan areas and compared the larger and smaller SMSAs on these indices. First, we examined riot incidence in Illinois during the 1960s as a measure of articulation of problems or activity within cities designed to call attention to the problems of the cities. Secondly, as a measure of remedial activity or attention to urban problems from outside the city, we evaluated the flow of intergovernmental revenue into the cities in 1970.

A riot is not typical of all protest activity, let alone all activity directed toward calling attention to and improving the quality of life in the city. Yet in the 1960s riots were the type of protest that received the most attention and analysis by the press, and by "concerned" citizens and governmental officials. If Coke's thesis is correct, that smaller cities lack indigenous protest, riots should have been confined to Chicago and the St. Louis area. In fact, these disorders occurred throughout Illinois.

Because these disorders are race-related, we might expect Cook County, with 83 percent of the black population of Illinois, to have a proportionate number of disorders. What we found, however, was that Cook County experienced only 61 percent of the total number of riots, while downstate and St. Louis, with slightly over 10 percent of the black population, experienced 22 percent of the riots. In terms of human and property destruction, the magnitude of the major Chicago riot (the one following the death of Martin Luther King) was far greater than any downstate riot. Nevertheless, these crude tallies do not support the notion that deprived residents of the downstate areas did not attempt to bring public attention to their problems.

Riots are a measure of concern expressed within the community itself. Intergovernmental revenue received by counties and cities is an expression of attention by other governmental levels to metropolitan problems. If the state and national governments are being inattentive to the problems of middle-sized communities, one indication will be a small inflow of intergovernmental revenue. Per capita intergovernmental revenue data for major cities within Illinois SMSAs are shown below.<sup>2</sup>

<sup>2</sup> Figures are drawn from U.S. Department of Commerce, Bureau of the Census, *County and City Data Book*, 1973.

<i>Chicago SMSA cities in Cook County</i>	
Chicago	\$43.90
Evanston	16.20
Skokie	23.60
<i>Chicago SMSA cities outside Cook County</i>	
Elmhurst	\$12.90
Lombard	5.70
Aurora	13.20
Elgin	10.70
North Chicago	14.40
Waukegan	14.00
Joliet	9.20
<i>St. Louis (Ill.) SMSA cities</i>	
Granite City	\$26.40
Alton	33.90
East St. Louis	28.50
<i>Other downstate SMSA cities</i>	
Champaign	\$28.60
Urbana	14.10
Bloomington	16.80
Normal	n.d.
Decatur	12.70
Peoria	15.00
Rock Island	18.60
Moline	16.00
Springfield	36.24
Pekin	14.10
Rockford	7.20

Per capita intergovernmental inflow to the counties is highest in Cook County, next highest in St. Clair and Madison counties, with the downstate counties receiving the least. At the city level, Chicago receives by far the largest per capita amount of intergovernmental revenue (\$43.90). Cities in the East St. Louis area receive between \$26 and \$34 per capita, and only two other downstate cities, Champaign and Springfield, receive more than \$20 per capita from the state and federal governments. Downstate cities outside the St. Louis area fare slightly better than the suburban Chicago cities, but most downstate cities receive surprisingly little per capita intergovernmental revenue.

To what can we attribute this seeming lack of support or remedial attention to the downstate areas? Coke's explanation that big city problems seem greater must be given some credence here, along with our finding that, on the whole, the quality of life in the medium-sized communities is in fact better than in Chicago. Other explanations for less federal and state attention to the downstate areas may also be valid. For example, awareness of federal and state programs for which they are eligible may be lower in the

smaller cities, and perhaps there is less expertise in applying for federal money. The greater political influence of the Chicago city administration ably supplements its larger staff of experts in seeking and obtaining intergovernmental funding. The downstate areas have been dominated by a traditionally conservative public opinion which militated against participation in federal programs. Peoria, for example, undertook its downtown renewal program without federal funds. Then again, the criteria on which Cook County fared poorly may be most relevant to tapping intergovernmental funds. In sum, many factors may work together to produce the intergovernmental funds picture presented above. Deliberate inattention by higher levels of government may be one, but other factors probably are more relevant, including the fact that on many indicators the downstate areas are in fact better off than Cook County.

The establishment of multicounty and single-county regional planning agencies is another indication of recognition of problems and attempts to take action. Planning has come to involve important quality of life areas as well as physical development of the community. Although planning agencies have been given impetus from the state government, in downstate counties most of these agencies were created as a response to federal grant requirements, a further measure of attention from other governmental levels rather than from groups indigenous to the community.

#### Conclusions and Implications

Our findings did not totally support Coke's contention that the smaller, downstate SMSAs share the level of urban problems of Chicago. What we found was a great deal of contrast between the large metropolitan centers, on the one hand, and the less urban and suburban areas, on the other. Cook County and the suburban Chicago SMSA counties are as different as Cook County and Champaign County, in terms of many quality of life indicators. Similarly, the Illinois portion of the St. Louis SMSA no more resembles the other downstate SMSAs than it does the suburban Chicago counties. Further, differences among the other downstate SMSAs are sometimes equal in magnitude to the differences between downstate and Cook County. For example, the range among downstate areas in infant mortality was 17.3 in McLean County to 21.9 in Macon, a range far exceeding the mean difference between downstate and the suburbs, or even downstate and Cook County. These differences do not contradict our finding that generally, with respect to the quality of life of their residents, the downstate areas rank slightly behind the suburban Chicago counties, followed by Cook County and the suburban St. Louis counties.



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## HOME RULE USE BY ILLINOIS MUNICIPALITIES: THE FIRST THREE YEARS

Richard L. Day

On July 1, 1971, for the first time home rule became an option available to Illinois municipalities and counties. The extent and ways in which home rule has been used were among the topics studied by staff members of the Illinois Home Rule Clearinghouse and Policy Analysis Project. In October 1974 a survey was conducted of the seventy-five existing home rule municipalities in Illinois to determine the amount and types of home rule use since the inception of home rule. In this paper the frequency of home rule use by the units is discussed and an attempt made to account for the number of times a given municipality has employed home rule. Then, more importantly, the various areas in which home rule has been used are described to identify factors associated with the different uses. Finally, the attitudes of municipal officials toward home rule are examined.

### Background of Illinois Home Rule

The 1970 Illinois Constitution contains what may be the most liberal home rule provisions of any state constitution. Under previous Illinois constitutions, all local governments in the state operated under Dillon's Rule. This doctrine, first enunciated by Judge John F. Dillon of the Iowa Supreme Court in an 1868 case, declares that local governments have only those powers specifically delegated to them by the state constitution or state law. All other powers are the province of state government. Although home rule means something different in each of the approximately forty states where it exists, in all these states home rule was introduced to change the state-local balance of power in favor of local government. Dillon's Rule still prevails in many of these states, however, because of narrow judicial interpretations of local powers.

Illinois home rule is unique, since it follows neither of the two usual models for home rule. It neither delegates specific powers and functions to state and local governments nor gives the state completely free rein in preempting local powers and functions.

The general constitutional home rule grant is extremely broad. Section 6(a) of article VII states that, except as

Richard L. Day was a research assistant at the Institute of Government and Public Affairs at the time this paper was written. The paper reports on one aspect of the Illinois Home Rule Clearinghouse and Policy Analysis Project conducted by the Institute in cooperation with the Illinois Department of Local Government Affairs (DLGA). The preparation of the report was funded in part by a comprehensive planning grant from the federal Department of Housing and Urban Development under an agreement with DLGA.

limited by other parts of the section, "a home rule unit may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare; to license, to tax, and to incur debt." Unless it receives authorization from the General Assembly, a home rule unit may not (1) license for revenue, (2) impose taxes upon or measured by income or earnings, or (3) tax occupations (sec. 6(e)). The General Assembly has not granted any of these additional powers.

Under the preemption provisions — sections 6(g), (h), and (i) — the General Assembly may deny or limit almost any local power. However, these provisions require a three-fifths majority in both the Senate and the House of Representatives for some types of preemption, including preemption of local taxing powers. There have been only a few instances of legislative preemption, the most important deal with licensing and regulation. A generally liberal series of Illinois Supreme Court decisions interpreting local exercises of home rule power, the majority upholding home rule taxing measures, stems from the exhortation of section 6(m): "Powers and functions of home rule units shall be construed liberally." This combination of legislative restraint and liberal judicial interpretation has meant that home rule units are now free to act in many areas previously governed by state constitution and state statute.

The home rule provisions of the constitution's local government article grant home rule status automatically to any municipality — city, village, or incorporated town — of 25,000 or greater population. A county achieves home rule status if its governmental structure includes an elected chief executive officer. Cook County, which had such an officer prior to the 1970 constitution, is the only home rule county to date.

Municipalities under 25,000 population can become home rule units if their voters approve this change by referendum. As of October 1974 there were seventy-five home rule municipalities, ten of which had held successful home rule referenda.<sup>1</sup> Approximately two-thirds of the state's population reside in home rule units, with the majority of these units located in the six-county Chicago metropolitan area.

<sup>1</sup> Since that time, successful home rule referenda have been held in nine additional municipalities, two other municipalities have gained home rule status by passing the 25,000 population mark.

## Method of Study

The survey method was chosen because it offers a systematic and efficient means of obtaining answers to various pertinent questions. The survey questionnaire used in the present study was constructed by this writer, other members of the home rule project staff, and the Survey Research Laboratory of the University of Illinois. Respondents to the survey were the mayors or village presidents, attorneys, and managers or administrative assistants (for those units with such officers) of all seventy-five home rule municipalities. Attorneys who represent more than one home rule municipality were interviewed once for each unit they represent. One hundred eighty-four interviews were completed out of a potential 196. The interviews were administered by telephone between March and September 1974.

The survey sought to determine the amount and types of home rule use by dividing uses into seven categories: licensing, taxation, issuance of nonreferendum bonds, regulations, alteration of governmental structure, intergovernmental agreements, and other. Respondents were asked to describe home rule use by their units, if any, in each of these categories, and were also asked to supply the interviewer with copies of ordinances enacting the various measures taken. In analyzing the survey the categories were further divided into nine types of use. Respondents were also asked a series of questions dealing with their attitudes toward home rule, as well as other activities related to home rule in their municipalities.

In addition to information obtained from the survey, twenty-five other items of information were collected for each of the seventy-five municipalities. Items included the unit's median income, level of municipal indebtedness, type of attorney, form of government, major industry, population growth between 1960 and 1970, and region of the state in which the unit is located.

Both the responses to the questions and the additional information were coded onto cards and a series of analyses performed. The two most important factors considered were the amount and type of home rule use by each unit. All the other information was crosstabulated with the

<sup>2</sup> The strength of the relationships tested in this section was determined by the Gamma and Cramer's V statistical techniques. Relationships considered strong registered .30 or higher on both measures. Interested readers may communicate with the Institute of Government and Public Affairs for complete explanations of statistical tests used in this paper.

## ILLINOIS GOVERNMENT RESEARCH

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amount and type of home rule use to determine whether any relationships linked these two factors with the other information.<sup>2</sup>

## Frequency of Home Rule Use

One of the most important variables examined in this study, the amount that each municipality had used home rule, was determined in several ways. Every official interviewed was asked about any home rule uses in his or her community. Local newspapers serving home rule units were reviewed for any mention of actual or potential home rule uses. Additional information was obtained from other sources, notably the Department of Local Government Affairs. Each municipality with any possible ordinances using home rule was asked to send copies of those ordinances or any others they considered to be home rule.

All ordinances that were received were examined twice to determine if they were home rule uses. An ordinance was considered home rule (1) if the authority to adopt the ordinance or procedure was not clearly delegated to the municipality by state statute, or (2) if no state statute existed in the area, or (3) if it was difficult to decide if home rule was necessary for a municipality to act in an area and the municipality cited home rule authority in the ordinance.

One of the problems associated with these criteria is that they cover instances in which municipalities cite home rule in an ordinance when they already have statutory authorization to act. However, some of the statutory authorizations are so vague that local governments are often reluctant to act without home rule authorization. For example, chapter 24, section 11-1-1, of the *Illinois Revised Statutes* states, "The corporate authorities of each municipality may pass and enforce all necessary police ordinances." In theory this could cover any type of regulatory ordinance. DeKalb's action allowing 19- and 20-year-olds to consume all types of alcoholic beverages could conceivably have been allowed by this broad statutory provision. Given the vagueness of the statute and the Dillon's Rule tradition of state-local relations, however, DeKalb cited home rule as authorization. For DeKalb and many other units, home rule is cited as authorization to act in areas that were otherwise questionable for local government.

Each municipality was given a score based on the number of uses determined under the above three criteria. During the first three years the number of home rule uses

Table 1  
HOME RULE USE  
July 1, 1971, through October 31, 1974

Uses	Municipalities	
	Number	Percent
0-3 (low)	39	52
4-7 (medium)	27	36
8-14 (high)	9	12
Totals	75	100

by each municipality ranged from zero to fourteen. Table 1 shows a pattern that breaks roughly into three groups of use. Over half the municipalities are classed as low users, a third more are moderate users, and only 12

ship between the revision of form and structure and the likelihood of a unit's employing a full-time planner on its staff.

For some types of home rule use relatively few ordinances have been enacted, making it difficult to find factors that relate strongly to these types of use. Home rule ordinances that deal with intergovernmental relations, bond procedures without the issuance of bonds, and penal ordinances fall into this group, which comprise 14 percent of the total number of home rule ordinances passed. Units which have used home rule to enact ordinances pertaining to intergovernmental relations tend to have residents with considerably higher average incomes than do other home rule units.

Of all the characteristics that appear to be related to the various types of home rule use, attendance at Home Rule Attorneys Committee meetings is clearly the most prevalent. Although there is no clear explanation for this on the basis of the data, it would seem logical that before a municipality embarks on new ground — as is the case in much home rule activity — its officials feel the need to consult with officials of other home rule units. In other words, those units that are predisposed to the use of home rule or are interested in using home rule to solve a particular municipal problem send representatives to meetings to benefit from the collective wisdom of their peers.

### Attitudes of Home Rule Officials

Several attitudinal questions were asked as part of the survey administered to 184 home rule officials. These questions sought to determine whether there were any significant attitudinal differences among these officials based on either the positions they held (mayor, attorney, and manager) or on the number of times their municipalities had adopted home rule ordinances.

Each official surveyed was asked what he considered to be the greatest problem facing his municipality. He was also asked whether home rule could be used to help solve this problem, to characterize the way in which home rule had been used generally, why he would make this characterization, and whether he had done any lobbying on behalf of home rule with his elected state representatives.

Regardless of their positions or how often home rule had been used by their units, the officials overwhelmingly cited financial difficulties as the greatest problem facing their municipalities. Officials from the municipalities with high and medium use of home rule were confident that home rule could help solve their greatest problem. Officials from the units with relatively few uses of home rule were somewhat less sure about this point. Irrespective of the number of times their units had used home rule, officials felt that home rule was most effective in solving financial problems and in meeting special local needs.

When asked to characterize the use of home rule generally, 73 percent of the respondents from low use municipalities, 82 percent of those from medium use municipalities, and 100 percent from high use municipalities described the use of home rule to date as cautious. In explaining this response, the officials said either that they had been advised to be cautious or that they feared antagonizing members of the Illinois General Assembly.

On the basis of these and other responses, it appears that local officials see home rule as a valuable tool in helping to solve their particular problems. To date they

have used home rule sparingly — probably to ensure that it would not be weakened or lost through legislative preemption. Much of this caution has been at the behest of officials of the Illinois Municipal League. The league has advised its members to proceed slowly so that favorable legal precedents could be established and members of the General Assembly would have little reason to preempt home rule power. In addition, a municipality which waits until the courts uphold a given type of home rule use does not risk the trouble and expense of litigation.

### Conclusion

On the basis of this early research it is possible to identify some of the characteristics associated with frequency and type of home rule use by municipalities. A municipality characterized as a high home rule user tends to be a north Chicago suburban or an urbanized downstate community which has not experienced dramatic changes in its population. Its population tends to be affluent and fairly well educated. It generally has a well-staffed municipal government, and these staff members are well aware of home rule and its potential uses. Many of the high users are represented at meetings and conferences, so they know what is being done with home rule.

The types of home rule ordinances adopted correlate with the opinions expressed by home rule officials in the interviews. The officials said that their greatest problems tended to be unique to their communities and of a financial nature. They generally felt that home rule could be used to help solve these problems. And, as we have shown, home rule has been used quite extensively in dealing with financial affairs. Uses related to indebtedness and taxation combined account for 37 percent of the number of uses to date. Many of the unique problems described by the officials may have been dealt with by the other types of use described in this paper — especially licensing and regulation.

It appears that in the first three years of home rule use the municipalities have proceeded cautiously. Apparently the cautious approach stems largely from advice given by Illinois Municipal League officials and from the reluctance to proceed too rapidly in this new area. During these three years home rule has been defined and strengthened by a large number of favorable court decisions. It would appear, then, that the coming years will see many more uses of home rule: home rule has been bolstered by experience, favorable court tests, and a legislature which does not appear to be particularly hostile.

Although home rule has not yet been used as extensively as it might have been, when one considers the many problems facing local governments it seems safe to say that this early stage has been more than a symbolic period. The first three years of home rule have been marked by a cautious but steady establishment of this new power, largely by units that have been acting with the knowledge and resources to support their innovative efforts. If home rule continues to follow this deliberate and somewhat controlled path, the Dillon's Rule mentality that has hampered local governments for so many years will steadily be eroded. Local governments in Illinois will thus be able to continue to discover unique solutions to solve their unique local problems.

types licensing and regulation, debt, taxation, officers and employees, local procedures, form and structure of government, intergovernmental relations, bond procedures without actual bond issuances, and penal ordinances. In this section we describe the ways in which municipalities have used home rule and attempt to identify characteristics of the municipalities that distinguish them by the types of use. Those characteristics showing strong and moderate relationships to the nine types of use are indicated in Table 5.<sup>3</sup>

**Table 5**  
**CHARACTERISTICS OF HOME RULE USERS**

Home Rule Use (type and number)	Relationship to Characteristics	
	Strong	Moderate
Licensing and regulation, 45	<ul style="list-style-type: none"> <li>-Frequent attendance at attorneys' meetings</li> <li>-Planner on staff</li> <li>-High average income</li> </ul>	
Debt, 35		<ul style="list-style-type: none"> <li>-Frequent attendance at attorneys' meetings</li> <li>-Slight population change, 1960-70</li> </ul>
Taxes, 24	<ul style="list-style-type: none"> <li>-Large population</li> <li>-North suburban location</li> </ul>	
Officers and employees, 22		<ul style="list-style-type: none"> <li>-Residential type city</li> <li>-Frequent attendance at attorneys' meetings</li> </ul>
Local procedures, 20		<ul style="list-style-type: none"> <li>-Frequent attendance at attorneys' meetings</li> </ul>
Form and structure, 16		<ul style="list-style-type: none"> <li>-Frequent attendance at attorneys' meetings</li> <li>-Planner on staff</li> </ul>
Intergovernmental relations, 12	-High average income	
Bond procedures without bond issuance, 12		
Penal ordinances, 3		

<sup>3</sup> Strong relationships were those that scored at least .36 in two of the three statistical measures used in this section ( $R^2$  in multiple regression analysis, Pearson's  $r$ , and Cramer's  $V$ ). Moderate relationships were those falling between .24 and .35 in at least two of the three statistical measures.

As shown by the table, the most frequent use is in the area of licensing and regulation. This category covers a broad range of home rule uses, from the licensing of cats to the regulation of pollutants emitted by industries. It also includes all ordinances dealing with liquor control that vary from state statute. The second largest category, the use of home rule to pass debt ordinances, primarily involves the issuance of nonreferendum general obligation bonds, the mortgaging of public property, and similar uses. The third largest category is home rule taxation. When taxation, debt, and nonreferendum bond procedures are combined, over half of the home rule uses have involved municipal finance.

There is a strong positive relationship between the use of home rule for licensing and regulation and three characteristics of the municipalities: (1) the number of times a municipal attorney attended meetings of the Home Rule Attorneys Committee, (2) the presence of a planner on the city's staff, and (3) the average income of the residents of the municipality.<sup>4</sup>

The use of home rule to incur debt was frequent, but there were few characteristics that tended to distinguish the units incurring such debt from the units which did not. There was a moderate relationship, however, between the incurrence of home rule debt and attendance at Home Rule Attorneys Committee meetings. Municipalities with small population change between 1960 and 1970 tended to use home rule debt more than did the units which had experienced rapid population growth in that period.

Two factors tended to correlate strongly with the number of times home rule taxing ordinances were enacted. The larger the population of a home rule municipality, the more likely it was to use home rule to enact taxing ordinances. Units over 50,000 population and units located in the northern Chicago suburbs were most likely to pass ordinances dealing with new methods of taxation.

Home rule use in the category officers and employees generally involved the alteration of civil service regulations, the creation of a staff position, or the elimination of such a position. These ordinances are more likely to be passed by residential municipalities than by other types of municipalities. There is also a moderate, positive relationship between this type of home rule use and the frequency of attendance at Home Rule Attorneys Committee meetings.

Few characteristics distinguish the units which have used home rule to change their local procedures. These changes generally involve such matters as voting procedures in council meetings or the revision of the budgetary process. There is a moderate relationship, however, between attendance at Home Rule Attorneys Committee meetings and the introduction of local procedural changes under home rule.

Municipalities which have used home rule to revise the form or structure of their government show two characteristics that vary directly with the frequency of this type of use. There is a moderate relationship between this type of use and attendance at Home Rule Attorneys Committee meetings. There is also a moderate relation-

<sup>4</sup> A positive relationship means that as the value of one indicator (such as licensing and regulation) increases, the other indicator (such as mean income) also increases. In a negative relationship, one indicator either increases or decreases as the other indicator moves in the opposite direction.

percent are high users. The last group includes Chicago with the highest number of home rule uses, fourteen.

Twenty-five characteristics of each municipality were crosstabulated with the amount of home rule use. The characteristics that showed the strongest relationship with the amount of use were (1) attendance at meetings of the Home Rule Attorneys Committee of the Illinois Municipal League, (2) presence of a planner on the staff, (3) size of the municipality, (4) tax effort index, (5) income levels of the residents, and (6) region of the state.

Attendance by municipal attorneys at the Home Rule Attorneys Committee meetings was the strongest indicator of municipal home rule use. This committee, established by the Illinois Municipal League, meets to discuss the legality and advisability of enacting various kinds of home rule ordinances. Each municipality was given a score based on the number of times that its attorney attended the fourteen meetings held from January 1973 to November 1974 (see Table 2). Eighty-two percent of

**Table 2**  
**ATTENDANCE AT HOME RULE ATTORNEYS' MEETINGS**

Home Rule User	Number of Meetings Attended		
	0-5	6-10	11-14
	Number of Municipalities (%)		
Low	32 (82)	4 (10)	3 (7)
Medium	16 (59)	8 (30)	3 (11)
High	2 (22)	1 (11)	6 (67)

the low users had representatives at the meetings five or fewer times. The attendance of the medium users varies considerably. Of the nine units classified as high users, 67 percent attended between eleven and fourteen meetings.

The distinction between full-time and part-time attorney also seems to be significant as an indicator of home rule use. Among the high users four of the nine, or 44 percent, retained part-time counsel, while five retained full-time counsel. Although retention of full-time counsel proved to be a strong indicator, an unusually large number of the high and medium users appeared to retain only part-time counsel. A closer look revealed that some of the attorneys who represent home rule units specialize in municipal law and represent more than one home rule unit. These attorneys were separated from others who are part-time and who maintain a general practice in addition to their municipal practice. When full-time attorneys are grouped with part-time attorneys with specialized municipal practices, the total accounts for 77 percent of the high users, 48 percent of the medium users, and 10 percent of the low users.

The presence of a full-time planner is one indicator of sophistication in city management. Seventy-eight percent of the high users employ planners, compared with 60 percent for medium users and only 26 percent for the low users of home rule.

Each of the seventy-five units was placed in one of five geographical regions (plus the city of Chicago). The results of this crosstabulation show that the high users tend to be either in the north suburban region of Chicago or in the more urbanized areas downstate. The latter is the largest and most diverse category. The low

users are located largely in the south Chicago suburbs and the more rural areas downstate (see Table 3).

**Table 3**  
**LOCATION OF HOME RULE MUNICIPALITIES**

Home Rule User	Number (percent)					
	North Subur- ban	West Subur- ban	South Subur- ban	Down- state	Chicago Rim Area	City of Chicago
Low	5 (13)	7 (18)	10 (26)	13 (33)	4 (10)	0 (0)
Medium	8 (30)	5 (19)	4 (15)	8 (30)	2 (7)	0 (0)
High	3 (33)	1 (11)	1 (11)	3 (33)	0 (0)	1 (11)
Totals	16	13	15	24	6	1

Income was also studied as an indicator of the amount of home rule use. The income of residents of low use municipalities is fairly evenly distributed across the income range for home rule municipalities with a slightly greater concentration at the lower end. The high users, on the other hand, tend to be grouped into the upper half of the income range. The medium users are distributed in such a way as to yield little information.

The higher income municipalities tend to have a relatively lower local tax effort because of their concentrated wealth base and disproportionate share of returned state income and sales taxes. Our findings that higher income municipalities tend to be high users is complemented by our analysis of local tax effort. The high home rule users tend to have a lower tax effort than either the medium or low users (see Table 4).

**Table 4**  
**TAX EFFORT INDEX**  
**July 1, 1974, through June 30, 1975**

Home Rule User	Tax Effort Score			
	1-39	40-51	52-64	65-147
	Number of Municipalities (%)			
Low	9 (26)	12 (34)	4 (11)	10 (29)
Medium	5 (22)	7 (30)	9 (39)	2 (9)
High	5 (56)	1 (11)	3 (33)	0 (0)
				67*

\* Eight of the seventy-five municipalities did not submit sufficient information to calculate their tax effort index for this period.

The population of a municipality and the city type (retailing, industrial, residential) do not seem as significant to the amount of home rule use as the municipality's location, income, or the presence of full-time specialists such as attorneys or planners. Municipalities with populations in excess of 50,000 do seem to make somewhat more use of home rule powers, and small residential and manufacturing cities tend to be low users.

#### Types of Home Rule Use

In addition to reporting on the frequency of home rule use, a primary object of this study was to determine whether there are any differences in the ways in which municipalities have been using their home rule power. All instances of home rule use were divided into nine separate



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## ILLINOIS ENERGY PROBLEMS: A NATIONAL PERSPECTIVE

Boyd R. Keenan

Governmental institutions wrestling with energy problems — ranging from American states to international organizations — are like elements in a gigantic mobile. They seem suspended in time and space, battered by erratic winds. The least force affecting even a minor element causes reactions in other parts of the mechanism.

More than two years after the Arab oil embargo of 1973-74 signaled the end of cheap fuel for the Western world, the U.S. Congress and President Ford are still searching for national energy management guidelines. For a time, it was felt that attention to the place of the states in national energy matters could wait until the federal government hammered out firm policies. Now, however, it has become increasingly clear that states must begin to search for their own distinctive roles in the complex energy mobile. It can only be hoped that initial plans conceived by the states will mesh well with overarching policies later devised in Washington.

The full scope of state responsibilities in energy affairs cannot be assessed yet. But leaders in each state must ask at least three basic questions: (1) How should the state organize itself to protect its citizens against the emergencies which could accompany severe fuel shortages and even another oil embargo? (2) What does the state have to offer to the nation at large in a time of long-range energy shortages? and (3) What are the environmental implications within the state of solutions to energy problems?

In the fall of 1973, when Arab nations cut the supply of crude oil being delivered to the U.S., Illinois, like other states, responded on a "crisis" basis. A "hot line" was set up in the state Department of Agriculture, and personnel there began assisting not only farmers in need of fuel, but also industries, independent gasoline dealers, and even large oil companies that turned to the state for help in coordination. When the broad dimensions of the allocation problem became apparent, Illinois Governor Dan Walker created the Office of the Illinois Energy Coordinator and moved the hot line operation there. The agency cooperated with the new Federal Energy Office — now the Federal Energy Administration — during the near chaotic period of the embargo.

Over the past two years other state agencies have also implemented specific programs related to energy. On April 1, 1975, Governor Walker centralized many of these

activities in the new Division of Energy within the state Department of Business and Economic Development (BED). Among the new division's responsibilities were those petroleum allocation tasks formerly handled by the Office of the Energy Coordinator. The division was also charged by the governor to provide leadership in such long-range matters as developing Illinois's coal reserves, creating energy conservation programs, investigating alternative energy sources, coordinating energy research within Illinois, and establishing coal research centers in the state.

Thus, the Division of Energy is presently the keystone of the executive branch's organizational response to the energy crisis, although virtually all state departments and agencies have been forced to face their own problems. In a perhaps unprecedented manner the General Assembly has sought to meet many of the same problems through legislative action. At times the distinct approaches of the two branches have resulted in collisions with strong political overtones.

### Illinois Energy Resources

Illinois is mentioned increasingly as possessing both natural and human resources critical to the nation at large in energy affairs, the result of a combination of geological, historical, and political circumstances. During World War II, the city of Chicago was the site of early research and planning on the fabled Manhattan Project, which produced the first atomic bomb. In large measure the presence of federal and university nuclear laboratories near Chicago can be traced to the wartime project. It was to be expected that a Chicago public utility — Commonwealth Edison — would become the first such company to develop a civilian nuclear reactor. Today that firm possesses the greatest nuclear capability of any utility in the nation, and Illinois relies more heavily on nuclear generation of electrical power than does any other state.

Illinois's prominence in nuclear energy was an expected development. It was the recognition in 1973 of the nation's dependence on foreign oil, however, that brought sudden and renewed attention to an even older and more plentiful energy source in the state — coal. Over the past two years, Illinois citizens have been subjected to a bewildering array of proposals for exploiting the state's massive coal reserves for the benefit of its own residents and the nation.

For a long time geologists have known that Illinois possesses the largest bituminous (soft) coal reserves of any state, estimated at between 140 and 150 billion

tons. They argue over just how much energy these reserves represent in terms of oil "equivalency." Some contend that as much potential energy is locked in Illinois coal as is contained in the oil reserves of the Middle East.

One of the most striking ironies of our technological age is the fact that the bituminous coal of Illinois and several neighboring states became unacceptable for use shortly before the embargo and the accompanying quintupling of crude oil prices. In the late 1960s scientists had discovered possible health hazards from sulphur oxides. Most of Illinois's vast coal reserves have a high sulphur content. As early as 1969 environmentally conscious lawmakers in Congress and in the Illinois General Assembly began to enact legislation which discouraged or in some cases prohibited burning Illinois coal for generating electricity or other purposes. For instance, power plants in Chicago and even in cities of more moderate size were ordered to discontinue their use of Illinois coal. As a consequence, in the early 1970s many public utilities and other industries which had depended upon Illinois coal either made expensive conversions to oil and/or natural gas burners or began transporting low-sulphur coal from western states. Transportation costs in moving this coal to Illinois and other Midwest states became a burden on both public utilities and consumers. Of the coal burned by electric utilities in Illinois, western coal's share increased from 3.7 percent in 1970 to nearly 25 percent in 1974.<sup>1</sup>

New elements were introduced into this situation, in Illinois and elsewhere, by the embargo, which led to skyrocketing oil prices. The risk to national security in relying on imported fuels became obvious. Adding to the irony was the diminishing supply of natural gas, praised by environmentalists as the "cleanest" fuel which could be used.

All these factors, particularly the realization of the country's growing dependence upon foreign oil, led Congress and federal agencies to fund dramatic research and development (R&D) programs in 1974 and 1975. Critical in these efforts is the aim of developing technologies which will permit safe utilization of high-sulphur coal such as that available in abundance in Illinois. Suddenly experimental processes for coal gasification and liquefaction, formerly known only to chemists and

engineers, became familiar to government leaders and politicians.

#### Illinois Coal Development Program

In January 1974 the second session of the Seventy-eighth Illinois General Assembly convened and Governor Walker delivered his second annual State of the State message. The governor's sweeping proposals for energy legislation included a plan to develop ways to use Illinois's vast soft coal reserves. His eight-point energy program was acclaimed by legislative leaders of both parties. Once the legislators began studying the governor's proposals, however, the complexity of the energy area and the competing forces at work precluded substantive agreement. Understandably, legislators argued among themselves and with the governor over control of state energy programs, particularly those elements dealing with coal development.

In June 1974, during the final hours of the session, the General Assembly passed compromise legislation in the form of four specific energy bills. On August 19 Governor Walker signed these bills into law. Central to the package was Senate Bill 1659, authorizing the sale of \$70 million in state bonds to be used for coal development projects. It called for BED to administer the bonding authority. The same law also established the Illinois Energy Advisory Council on Coal Development to advise BED on the development of Illinois coal reserves. Chaired by the governor, the council includes as members the lieutenant governor and directors of state departments and agencies relevant to coal development.

A second law, House Bill 2651, established the Illinois Energy Resources Commission, composed of ten legislators and eight public members. Before BED can fund projects through its bonding authority, the commission must give its approval. The commission is also charged to develop an overall long-range plan for Illinois energy and to investigate all phases of energy use and development within the state.

Another measure, Senate Bill 1667, allows BED to utilize the right of eminent domain in acquiring or using land for coal development. This measure amends the Act to Provide for the Exercise of the Right of Eminent Domain, which dates from 1872. A final law, Senate Bill 1660, appropriated \$10 million in "operational" funds to BED from the \$70 million coal development fund authorized in Senate Bill 1659.

From the outset it was clear that the legislature's efforts to provide checks and balances in the management of Illinois would result in two major rival bodies. One—the BED's Division of Energy—would be the spokesman for the executive branch of government. The other—the Energy Resources Commission—would mainly reflect the attitudes of those in the legislative branch. The latter condition prevails because all appointments to the commission—including the eight public members—are made by the legislative leaders of both parties.

When considered together, the statutes appear to create a system whereby only BED can propose funding for coal development and only the commission can approve such funding. The law does provide, however, that a grant under the bonding authority which is recommended by BED is made automatically if the commission fails to approve or disapprove a proposal within forty-five days after it is submitted.

Even before the measures became law, it had become evident that massive new industrial consortia—powerful

<sup>1</sup> George Provenzano, "Coal Conversion in Illinois," *Illinois Business Review* 32 (July 1975) 6-8

## ILLINOIS GOVERNMENT RESEARCH

Institute of Government and Public Affairs

University of Illinois

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The Institute of Government and Public Affairs of the University of Illinois is committed to research, service, and teaching in the area of governmental affairs. As part of this mission the institute publishes on an occasional basis *Illinois Government Research*. Each issue brings to the attention of concerned citizens and officials some aspect of public policy research. Although most items are written by institute staff members, manuscripts by other authors will be considered for publication. In each case the views expressed are solely the responsibility of the author and do not reflect institute policy or imply institute endorsement.

energy corporations fortified with multimillion dollar federal grants — would be seeking parcels of the available \$70 million. Given the emotional character of the emerging energy politics, it was inevitable that the executive branch, principally through BED, and the legislatively oriented commission would be pitted against each other. Even in the most congenial political setting, it is probable that officials in the executive branch and representatives of the General Assembly, irrespective of party, would have vied for credit in bringing coal development projects to Illinois.

But relationships have been far from congenial as the BED's Division of Energy and the commission have wrestled with requests from energy consortia to tap the bond fund for the development of coal conversion facilities in Illinois. The Illinois Energy Advisory Council, also established by the 1974 energy package, does not seem to have been active. The council's purpose, as defined by statute, is to advise BED and generally give counsel in state energy affairs. Critics of the governor, chairman of the council, contend that he has failed to convene the body regularly because of an unwillingness to share the energy "spotlight" with the lieutenant governor, vice-chairman of the council. Like the governor, the latter is a Democrat, but the two high state officials represent different factions of the party. The governor's defenders maintain that heavy reliance on the council would obstruct energy planning.

Inadvertently or by intent, the General Assembly appears to have harnessed, by statute, three new energy units which have similar mandates and objectives but which relate to totally different constituencies. Despite the rivalries among BED, the commission, and the council, Illinois appears to be one of the more successful coal-producing states seeking to create lucrative coal utilization industries within their borders. The state's most important boost came on November 17, 1975, when the federal Energy Research and Development Administration (ERDA) announced that an Illinois site was its choice for the location of the nation's first major demonstration coal conversion plant. The proposed \$237 million facility would convert sulphur-tainted coal into synthetic gas and fuel oil. The plant would be constructed by Coalcon Corporation of New York City on a 2,000-acre site just east of New Athens, twenty-five miles southeast of East St. Louis.

After ERDA announced its selection, Governor Walker stated that the willingness of the state executive branch to contribute \$25 million in coal development bond funds to the Coalcon project was the key to the choice of the New Athens site. At this writing (December 1975), the Illinois Energy Resources Commission is awaiting BED's formal request — with technical supporting data — for approval of the \$25 million.

The commission has already committed funds to the one formal proposal submitted by BED. On November 5, 1975, the commission approved BED's recommendation that \$10 million be awarded a consortium headed by the General Electric Corporation to develop an experimental coal-burning system. The R&D effort will utilize existing facilities of the Illinois Power Company near East St Louis.

#### Strain on Federal System

The scope of the nation's broad energy dilemma is illustrated well by complexities attached to the state's plight in wrestling with the coal development problem. When the

Illinois legislative energy package was enacted in the final hours of the 1974 session, the state and the nation were still in a state of shock following the Arab embargo.

Among the new complexities which this situation has led to is competition among coal-producing states for the initial coal conversion plants. Rivalry in obtaining these facilities is understandable — their location may very well determine where huge new technological industries will be centered. Such rivalry could exert an almost unprecedented strain on our federal system. At a time when all agree that our national needs match those felt in a full-scale war, intrastate and interstate conflicts could affect the national interest adversely. It is hoped that these tensions will lead to a healthy reality, not a bitterness among the actors involved.

In Illinois, leaders in both the executive and legislative branches of state government are likely to become more realistic in their quest for the new industry. When the package of energy bills was passed in 1974, leaders felt that the state could rather easily strengthen the nation's energy posture while financially benefitting itself and its citizens through development of coal reserves. The months have shown, however, that even though Illinois does boast the largest reserves of bituminous coal in the nation, it is not unique among the states. Other coal-producing states are proclaiming their own uniqueness in coal opportunities.

It is inevitable that unpredictable social and political factors will be in play when sites for coal conversion facilities are selected. This reality is only one facet of the incredibly complex set of problems faced by Illinois and other states in constructing state energy policies which both protect the interests of their citizens and are consistent with broader national interests.

#### Relevance of World Economics

There is a striking difference between the plight of states now seeking R&D installations and of states which in the 1960s competed for scientific plums like nuclear accelerators and space laboratories. Today, the state of the world economy is hauntingly relevant. Shifts in international oil pricing could upset the most carefully conceived state plans dramatically. For perhaps the first time, state governments must devise long-range technological policies which could be disrupted by sudden changes in the behavior of international organizations over which the states have no control. Most critical of these groups, of course, is the Organization of Petroleum Exporting Countries (OPEC), the price-fixing cartel whose success in late 1973 stimulated the Western world's search for alternative energy sources.

Since the emergence of OPEC as a major force in world politics, rumors have persisted that the cartel was at the point of disintegration. For a time the U.S. federal government seemed to encourage such speculation. At present, however, State Department officials and other governmental spokesmen leave the impression that coexistence with OPEC over many years is inevitable. Yet, states attempting to create new coal conversion industries know that any breakup of the cartel would result in a sharp decrease in world oil prices. If this should happen, industry in the U.S. and other Western countries — unless strongly encouraged by governmental policies to do otherwise — would rely once again on cheap oil and would ignore the expensive oil substitutes derived from coal gasification and liquification.

Such an eventuality — and the accompanying risks — lurk in the minds of American investors who are studying the wisdom of placing capital in coal conversion ventures. It is recognition of the risks and the related issue of national security which have led to the host of proposals from Washington and other Western capitals to help meet uncertainties. Among the projects being planned in this country, of course, are those based on the notion that both the federal government and coal-producing states should share the risk in these new ventures. The possible scale of federal involvement in such efforts is suggested by President Ford's proposal, made public on September 22, 1975, for the creation of a new national corporation — the Energy Independence Authority (EIA). Under this plan, EIA would channel \$100 billion into energy projects over the next decade.

International economists are divided on such ambitious plans for coal conversion facilities. Some feel there is no alternative but to develop them. Others fear that an unexpected decline in world oil prices could leave the U.S. landscape strewn with white elephants in the form of unfinished gasification and liquification plants.

It is too early to speculate on the success of President Ford's efforts to convince Congress of the necessity of the EIA or similar plans. It is not too early, however, for states to begin preparing for the new federal-state relationships, as well as intrastate tensions which are likely to evolve.

#### Energy-Environment Debate in Illinois

In Illinois, tensions will be produced by long-standing conflicts between "no-growth" environmentalists, on the one hand, and coal developers and public utilities, on the other. The latter believe the interests of the state and the nation at large would be served by creating a new coal conversion industry in Illinois. The movement toward such a new industry has been mounted so quickly that many environmentalists have been caught off guard. When they begin to study in depth the total environmental impacts of large conversion plants, they will probably introduce new factors into the energy-environmental debate. Among their concerns will be water, an abundant supply of which is needed by any conversion plant, and possible encroachment upon highly valued agricultural land. Interaction among social, economic, and political forces in Illinois on the coal conversion issue will be a microcosm of broader, deeply felt ideological conflicts which are beginning to rage across the country — indeed around the world. Proponents of no-growth conservation approaches to our energy problems will probably oppose those who favor technological solutions.

More than most states, Illinois is like a laboratory where efforts to resolve energy-environmental conflicts may be viewed by the entire country. In 1970 the General Assembly won the attention of ecologists around the nation with

a set of laws acclaimed as the most environmentally advanced efforts in the country. When in 1974 the energy measures described above were passed, many legislators were beginning to feel that their earlier environmental package was destructive to the state and national economic health.

Concrete evidence of a change in legislative attitudes came several months ago, when the General Assembly approved a bill which environmentalists construe as reversing the Illinois direction set by the 1970 actions. In the face of opposition from environmentalists, Governor Walker signed Senate Bill 805, which requires "economic impact statements" for environmental regulations established by the Illinois Pollution Control Board. Evidence that the entire country will be watching Illinois comes from a variety of technical and scientific journals which have given the matter attention. An illustration of the level of national interest is the following item from *Chemical Week*:

Before promulgating any environmental regulation, the Illinois Pollution Control Board must now prepare an economic impact statement under an amendment to the state's Environmental Protection Act, believed to be the first such provision in the nation. Statement preparation is expected to cost the Pollution Control Board over \$500,000/year.<sup>2</sup>

The dynamics of energy-environmental politics in Illinois over the coming years are likely to challenge the ingenuity of state executives and lawmakers as never before. It is hoped that their responses not only will meet the state's needs, but also will provide helpful models for other states in struggles to find their own niches in both energy and environmental management within the broader national system.

#### Conclusion

The need for state leaders to strike out on their own in understanding their states' distinct energy roles can hardly be overstated. Although it is indeed true that society is analogous to a fragile mobile composed of interrelated energy components, each unit in the system has unique characteristics. For example, Illinois — with its abundance of coal and highly advanced nuclear reactors — will require knowledge and expertise different from that needed in states which seek to exploit offshore oil and gas reserves. The geography of the country is such that natural clusterings of states may encourage regional cooperation in attacking some energy issues. But as long as states remain integral parts of our federal system, day-to-day management of energy problems will rest heavily upon individual states. In the remaining years of this century there can be no substitute for state-oriented leadership in managing energy in Illinois and elsewhere.

<sup>2</sup> "Illinois Requires Economic Impact Statement for Environmental Regulations," *Chemical Week* 117 (October 18, 1975) 38. The estimate of \$500,000 cannot be verified.



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## ILLINOIS AND THE UNITED STATES: SOME ECONOMIC PARALLELS

Robert N. Schoeplein

Illinois is situated both geographically and in production at the crosscurrents of the national economy. Virtually all U.S. industries have one or more firms with productive facilities in Illinois, resulting in a diverse state economy. To what extent, however, can Illinois be characterized as a "microcosm"—a representation in miniature or on a small scale—of the overall U.S. economy?

One must distinguish between the two concepts of a "microcosm" state and a "representative" state. Among the fifty states the economy of Illinois generates a disproportionately large percentage of the gross national product. Illinois ranks fifth among the states in population, fifth in per capita income, fourth in manufacturing value-added, and fourth in value of state agricultural product. Certainly Illinois is not representative *among* the states, but is this state's economy representative of the composite of the entire country? In this more global sense, the relatively large size of the Illinois economy may be necessary to generate the diverse output that might be representative of the U.S. as a whole.

If several important facets of a state's economy do parallel those of the aggregate U.S., this recognition could produce several distinct benefits. The microcosm state, or select elements of that state's economy, could serve as either a bellwether or a control in observations and social experiments leading to national policy.

Comparisons can be made at each of several levels of generality, and one would anticipate that differences between the economic composition of any specific state and that of the entire U.S. would become more apparent as the analysis grows more specific. Many key overall parallels between the structure of Illinois's economy and that of the U.S. continue to hold, however, as the basic sectors are subdivided and the more specific elements are compared. The Illinois and the U.S. economies are analyzed at a specific moment in time; in essence we are studying the fine details of two photographs. In the future, economic dynamics may distort or destroy the striking similarities between the Illinois and the national economies, but for the moment researchers may look to their specific needs and curiosities in evaluating whether at present this state's economy is a microcosm of the U.S. economy.

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### Population

Labor effort, capital, and natural resources are the three general categories of inputs into the economic production process. The population base of a state forms the labor pool from which the civilian labor force emerges. Distribution by age, sex, education, and other characteristics of the population shapes the mode that is a critical determinant of a state's economic structure.

In several important respects social characteristics of Illinois residents are similar to those of the aggregate U.S. One exception is the rate of immigration. Illinois is somewhat below the national average in migration—71.6 percent of Illinois residents were born in the state, compared to 68 percent of the entire U.S. population residing in their states of birth. The range among the fifty states is quite large: the "booming" states in the southwest have only 25 percent natives in their population, and most stable states count over 80 percent natives.

The Illinois population includes 52.6 percent of persons age twenty-five and over who have completed four years of high school or more; the national figure is 52.3 percent. The range among the fifty states is from a low of 37.8 percent to a high of 67.3 percent for this segment of the population. The median number of years of schooling completed by white male and white female adults in Illinois is the same as for the aggregate United States. Black male and female adults have one more year of schooling in Illinois than the average among the fifty states.

Illinois has become an urban state as the United States has become an urban nation. Urban residents account for 83.0 percent of the Illinois population; the national distribution is 73.5 percent urban residents. Illinois has 4.5 percent rural farm residents, comparable with 5.2 percent for the U.S. The differences are accounted for by rural nonfarm residents: Illinois has 12.5 percent rural nonfarm population, while the U.S. has 21.3 percent.

The city of Chicago and the Chicago standard metropolitan statistical area (SMSA) dominate statistics on the Illinois economy. For example, although Illinois's black population of 12.8 percent is not significantly different from the U.S. average of 11.1 percent, 98.4 percent of Illinois's blacks are urban residents—as opposed to the overall U.S. figure of 71.7 percent. Although the Chicago SMSA tends to distort the nature and distribution of the state's population, the area's economic base is one of the major factors contributing to the diversification necessary for Illinois to be representative of the national economy.

## The Labor Force

Illinois is close to the overall U.S. in labor force participation, for both sexes and in both urban and rural settings. In Illinois 79.5 percent of urban males over age sixteen are active in the civilian labor force, nationwide the figure is 77.6 percent. Rural male labor force participation is also comparable—74.7 percent for Illinois and 73.2 percent for the U.S. Similar parallels hold between this state and the nation for females, although the variations among the other forty-nine states are significant. Illinois tends to have statewide employment rates lower than comparable rates for the entire U.S., with the exception of the latter part of 1975 and during January 1976, when the Illinois unemployment rate did exceed that of the U.S. The diverse nature of the Chicago SMSA industrial complex explains in some measure why the state labor force is less susceptible to the shocks and whims of select industrial goods markets than are the labor forces in states with production concentrated in a few industries.

The distribution of the labor force by major occupation in Table 1 illustrates that the relative weights of workers in most occupations approximate those of the aggregate U.S. This is reinforced by the range in values among the other states, reflecting economic specialization elsewhere. The percentage of clerical workers is higher for Illinois than for the nation as a whole. This can be traced to the presence in the state of many national corporate headquarters, insurance and financial centers, and regional trade centers. The relatively fewer proportions of both farm laborers and farm foremen are indicative of the mode of farm organization in Illinois, where farming is dominated by highly efficient family units coupled with sharecropping.

The labor force can be identified more specifically by industry employment. In Table 2 we have consolidated the U.S. Department of Commerce's distribution of employed persons by twenty-nine industries to seventeen such industries. Manufacturing is decidedly important to the Illinois economy, even more so than for the U.S. as a whole. Transportation is also important to Illinois. The different employment weights are indicative of the sophisticated statewide transportation network, which also serves the national economy. Household services are not as integral to the Illinois economy as to the economies of those other states where custom, concentrations of impoverished workers, and minimal em-

ployment opportunities work together to maintain relatively larger numbers of servants and other household workers. On the whole, the distribution of the Illinois labor force among major occupations parallels that of the U.S.

## Gross Product Accounts

Businesses in the private sector utilize inputs to generate the economic goods and services that are their productive outputs. Although by specification the dollar value of outputs in any year is equal to the dollar value of inputs, the units of physical measurement are significantly different. The skills and effort of labor plus capital investment are inputs; output is the total of myriad, diverse products and services. A skilled welder can work on ships' plates, grain elevators, or tractor frames. Although essential cross sections of the Illinois labor force may approximate those of the aggregate U.S., it does not necessarily follow that the general characteristics of output should also be parallel. The mix of final products could be significantly different.

The basic measure of output at the national level is gross national product (GNP). The analogous measure for a state's economy is gross state product (GSP). Recent estimates of Illinois's GSP facilitate comparisons with the overall national economy, although comparable information is not available for many other states.

The mix of goods and services produced in an economy can be classified in a variety of ways. One familiar method is to group output according to (1) goods and services produced for domestic consumption, (2) investment goods and services produced by the private sector, (3) government purchases of goods and services, and (4) the impact of the foreign trade sector on the economy. Since goods flow in two directions between economies, the term "net exports" frequently is used to mean the value of exports minus the value of imports.

The exports of any state are relatively more important to that state's economy than is the export sector of the U.S. economy as a whole. The United States is a vast "common market" made up of fifty diverse states. Although the term "export" may sound awkward in reference to shipments made across Illinois borders to other states, nonetheless the goods do leave the Illinois economy. In 1967 Illinois shipped 78.7 percent of its estimated physical product to other states and to foreign countries. In turn, many physical components of these products had previously been manufactured in other states, and some of these exported Illinois products eventually find their way back into the state in other, refined forms. When the component parts, materials, and finished goods shipped into Illinois from elsewhere in 1967 are subtracted from the value of gross exports in that year, the state registered a net positive balance in external trade that represented 26.9 percent of estimated total GSP. By contrast, the aggregate gross exports overseas by the U.S. accounted for only 5.8 percent of national product in 1967, and in that year the net balance of trade between the U.S. and the rest of the world was only 0.6 percent of GNP.

The bulk of Illinois trade is with other states, but Illinois is also a relatively significant exporter to the rest of the world. Food products, nonmineral oils, and machinery such as farm implements and construction equipment are significant elements of total U.S. exports, and Illinois excels in each of these areas. Illinois ranks

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**Table 4**  
**THE MANUFACTURING SECTOR: VALUE-ADDED BY  
 INDUSTRY GROUP, 1972 (MILLIONS OF DOLLARS)**

	Illinois		U.S.	
	Dollars	Percent of Total Value- Added	Dollars	Percent of Total Value- Added
All industries	25,863.7		352,831	
Food and kindred products	3,128.3	12.1	35,332	10.1
Tobacco products	*		2,630	
Textile mill products	67.3	.3	11,558	3.3
Apparel and other textile products	334.4	1.3	13,227	3.8
Lumber and wood products	176.1	.7	10,101	2.9
Furniture and fixtures	374.7	1.5	6,138	1.7
Paper and allied products	718.7	2.8	12,930	3.7
Printing and publishing	2,216.4	8.7	20,058	5.7
Chemical and allied products	2,103.1	8.3	32,388	9.3
Petroleum and coal products	409.8	1.6	5,801	1.6
Rubber and miscellaneous plastic products	683.0	2.7	12,023	3.4
Leather and leather products	*		2,871	
Stone, clay, and glass products	776.4	3.1	12,563	3.6
Primary metal products	1,936.1	7.6	23,190	6.6
Fabricated metal products	2,521.3	9.9	26,930	7.7
Machinery, except electrical	4,216.4	16.6	37,497	10.7
Electric and electronic equipment	3,082.4	12.1	30,299	8.7
Transportation equipment	1,243.4	4.9	40,146	11.5
Instruments and related products	859.5	3.4	10,452	3.0
Miscellaneous manufacturing industries	545.9	2.1	6,697	1.9

\*Withheld to avoid disclosing figures for individual companies

SOURCE U.S. Department of Commerce, Bureau of the Census, *Census of Manufactures 1972*, Volume 1, *Summary and Subject Statistics*, MC72(1) (1975), and Area Series, MC72(3)-14 Illinois (Washington Government Printing Office, February 1975) See especially Table 5

#### Agriculture

When averaged over the most recent decade, the value of Illinois agricultural output is comparable to the U.S. in the relative contribution of this sector to total product. Agriculture is the one sector in the Illinois economy, however, whose internal structure is significantly different from that of the entire U.S.

When disaggregated by type of activity, U.S. agriculture reflects the diversity that is a consequence of crop specialization in various states. Illinois is one such state of agricultural specialization: corn production at 40.3 percent of state agricultural product, soybeans at 27.6 percent, and hog raising at 17.2 percent together account for 85.1 percent of Illinois's total agricultural output. Variations in hog prices, in crop yields, and in corn and soybean bushel prices will determine the total contribution to the Illinois economy in any given year.

Illinois has token representation in some other agricultural activities such as commercial vegetables, farm dairy products, cattle and other animals, and fowl that are sold in local and regional markets. Overall the composition of Illinois agricultural output does not reflect the aggregate U.S. agricultural sector. Only in the total effort devoted to agriculture compared with manufacturing, transportation, and other industries is Illinois comparable to the U.S.

#### Conclusion

We had anticipated that as our analysis became more detailed important differences between the economies of Illinois and the U.S. would emerge. We were surprised to find that some striking similarities between the two economies were actually reinforced when details of specific industries were compared. The distribution of the labor force by both occupation and industrial classification reveals close parallels between the civilian labor force of Illinois and that of the entire U.S. The composition of gross product and the relative weights of output by specific sectors also affirm that the nature of Illinois's diverse production is comparable to that of the nation as a whole. Even the relative contributions of almost three-fourths of the specific industries that comprise manufacturing are similar between Illinois and the nation.

In the final analysis, one must apply one's judgment to decide to what degree the economy of Illinois parallels that of the U.S. In pragmatic terms, no state's economy can be a precise mirror image of the aggregate U.S. economy. Many factors — geography, natural resources, cultural and historical differences — make each state unique. Yet we were not prepared for the detailed similarities between Illinois and the nation that we did find. Illinois has several reinforcing similarities in structure and diversity that may on reflection qualify it as a "microcosm" state.

**Table 2**  
**PERCENTAGE LABOR FORCE DISTRIBUTION**  
**BY OCCUPATION, 1970**

Employed Persons Age 16 and Over	Illinois	U S	50-State Range	
			Low	High
Professional, technical, and kindred workers	14.2	14.8	10.8	19.5
Administrators and managers, except farm	7.5	8.3	7.0	11.5
Sales workers	7.2	7.1	5.4	8.7
Clerical and kindred workers	20.2	18.0	12.5	22.4
Craftsmen, foremen, and kindred workers	13.9	13.9	9.6	17.4
Operatives, except transportation	14.4	13.7	4.7	22.5
Transportation equipment operatives	4.0	3.9	2.9	5.4
Laborers, except farm	4.3	4.5	2.9	6.2
Farm laborers and foremen	0.6	1.2	0.2	4.4
Service workers, except private household	11.0	11.3	8.6	23.9
Private household workers	0.8	1.5	0.7	4.1
Farmers and farm managers	1.8	1.9	0.2	17.2

SOURCE U S Department of Commerce, Bureau of the Census, *Census of Population 1970*, Volume 1, *Characteristics of the Population*

**Table 3**  
**PERCENTAGE COMPOSITION OF GROSS**  
**PRODUCT, 1967 AND 1973**

	1967		1973	
	Illinois	U S	Illinois	U S
Gross product	100.0	100.0	100.0	100.0
Private nonfarm	88.9	86.5	86.4	87.8
Contract construction	4.7	3.4	4.6	3.0
Manufacturing	33.4	30.3	31.4	32.4
Durable	NA	18.3	20.0	19.0
Nondurable	NA	12.0	11.4	13.4
Wholesale and retail trade	16.9	16.8	16.4	17.4
Finance, insurance, and real estate	12.8	13.5	13.0	12.9
Transportation, communication, and utilities	8.8	9.8	8.5	10.7
Services and other	12.0	12.3	12.2	11.2
Services	NA	9.3	NA	9.2
Other	NA	3.0	NA	2.0
Mining	0.7	0.4	0.6	0.5
Government	8.1	9.7	8.9	8.6
Agriculture	2.9	3.7	4.5	3.4

NA not available

SOURCES U S President, *Economic Report of the President, January 1973* (Washington Government Printing Office, 1973), Table C-5, Illinois Department of Business and Economic Development

The machinery, except electrical, industry offsets most of the relatively smaller contributions of the four other industries discussed above. In Illinois there is a concentration of farm machinery and construction machinery manufacturers. These two machinery industries account for 7.7 percent of total Illinois manufacturing value-added, but account for only 2.4 percent nationwide.

The detailing of the manufacturing sector by industries and subindustries provides a very exacting comparison of the two economies. When one considers the complexities of the industries that comprise the important manufacturing sector, it is significant that this sector in Illinois is so balanced as to parallel U.S. manufacturing in many respects.

first or second among the fifty states (depending on annual variations in commodity prices) in the value of products shipped overseas. In the importance of trade, then, Illinois is not a microcosm of the United States. Rather, Illinois stands out as a key commerce state.

A second method for the study of output is to value production by major sector regardless of domestic, interstate, or foreign destination. Table 3 illustrates the percentage composition of gross product by sector for Illinois and the U.S. for two selected years. Similar weights are apparent for most sectors. Agriculture is the most volatile element in Illinois's total product, reflecting the state's specialization in corn, soybeans, and hog raising. Over the past decade, the transportation, communications, and utilities sector has assumed relatively more importance at the national level than in Illinois. Manufacturing continues to be the dominant sector in the economy, accounting for almost one-third of total gross product for both Illinois and the U.S. An analysis of the industries in the manufacturing sector therefore is imperative to a comparison between the economies of the state and the nation.

#### The Manufacturing Sector

Recent information allows us to compare value-added—the market value of output minus the cost of materials, component parts, and supplies purchased from others—in seventeen manufacturing industries plus a miscellaneous category (see Table 4). This is an important comparison in evaluating whether the Illinois economy is a microcosm of the nation's economy, because in so

many states manufacturing is specialized in regard to the location of raw material, unique transport facilities, or complementary industries. We leave the final judgment to the reader, but the relative contributions by thirteen of the eighteen industrial categories as illustrated in Table 4 would seem comparable between Illinois and the entire U.S.

Five manufacturing industries do deviate significantly in their relative contributions to state and national manufacturing. Historically four of these industries have been less important to total Illinois manufacturing than to the overall U.S. economy: lumber and wood products; transportation equipment; textile mill products; and apparel and other textile products. The smaller relative contributions by these industries are offset by the greater importance of machinery, except electrical, to the Illinois economy. Each of these five manufacturing industries has components, and the details provide some information about these "deviant" industries.

The few forests in Illinois are concentrated in the extreme southern part of the state; they do not generate logging activity that is representative of this industry nationwide. Illinois also produces proportionately less than does the U.S. as a whole in three principal components of transportation equipment: motor vehicles and equipment, aircraft and parts, and ship and boat building. These transportation equipment elements tend to be highly concentrated in other select states that account for overall national production. Illinois also is not a textile state. There is some representation of textiles in Illinois, but this industry and apparel manufacture tend to be concentrated on the east coast.

**Table 1**  
**PERCENTAGE INDUSTRIAL DISTRIBUTION OF  
EMPLOYED PERSONS, 1970**

Persons Age 16 and Over	Illinois	U.S.	50-State Range	
			Low	High
Agriculture	2.7	3.7	0.9	22.2
Mining	0.5	0.8	0.1	9.0
Construction	5.1	6.0	4.8	9.4
Manufacturing	30.3	25.9	4.7	36.2
Railroads, trucking, other transport	4.4	3.6	*	*
Communications, utilities, sanitation	2.9	3.1	*	*
Wholesale trade	5.0	4.1	2.6	5.2
Retail trade	16.1	15.9	*	*
Banking, credit, other finance	1.8	1.7	1.2	2.4
Insurance, real estate	3.5	3.3	1.6	5.1
Business services, repair services	3.2	3.1	*	*
Private household, other personal services	3.7	4.6	*	*
Entertainment and recreation	0.7	0.8	0.4	7.6
Hospitals and health services	5.2	5.5	*	*
All education	7.3	8.0	*	*
Professional, religious, welfare services	4.0	4.1	2.6	5.9
Public administration	4.4	5.5	3.5	16.4

\*Seven of the illustrated industries are consolidated from a more detailed presentation in Table 5 of *The Illinois Economy: A Microcosm of the United States?* Because different states are involved, no weights can be calculated for multiple industries.

SOURCE: U.S. Department of Commerce, Bureau of the Census, *Census of Population: 1970, Volume 1, Characteristics of the Population*.



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## AS GOES ILLINOIS . . . THE STATE AS A POLITICAL MICROCOSM OF THE NATION

James Przybylski

The old saying has it that in presidential elections "as goes Maine, so goes the nation." While this statement may have once been valid, over the last forty years the bellwether nature of the state of Maine has been open to serious challenge. In fact, in the last ten presidential elections Maine has cast its electoral vote for the *losing* candidate six times. The question of which state most closely follows national patterns in presidential elections is an interesting one, however, especially in this presidential year. If one could find a state in which national presidential returns were closely mirrored over a period of years — and if one had some idea why this state-national parallelism existed — that state's returns would provide not only a clue to the national outcome, but also some reasons for it.

One of the likeliest candidates for the "microcosm" state in presidential elections is the state of Illinois. In the twentieth century, Illinois has cast its electoral votes for the winning candidate in every presidential election except 1916, when the Republican, Charles Evans Hughes, won the state's electoral votes over the Democrat, Woodrow Wilson. Illinois's popular vote percentages have also closely paralleled those at the national level during the twentieth century. In fact, since 1928 percentages won by the various presidential candidates in the state have never been more than five percentage points from the corresponding national figures; in some elections, the two figures have been almost identical (see Figure 1 and Table 1).<sup>1</sup>

Even during the first quarter of the twentieth century, when popular vote figures in Illinois were somewhat biased toward Republican presidential candidates, the presidential figures never differed by as much as 8 percentage points from the national figures. The average difference for this period was 5.6 percent. Indeed, looking back into the nineteenth century, Illinois's popular presidential election returns have closely paralleled national figures since the emotion-laden election of 1860, just before the

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<sup>1</sup> The data for Table 1 and Figure 1 are drawn from Congressional Quarterly's *Guide to U.S. Elections* (Washington, D.C.: Congressional Quarterly, 1975), pp. 265-99. The Illinois county figures in Table 2 are drawn from four sources: Samuel K. Gove, *Illinois Votes, 1900-1958* (Urbana: Institute of Government and Public Affairs, University of Illinois, 1960); Illinois Secretary of State, *Official Vote for the years 1960-72*; Walter Dean Burnham, *Presidential Ballots, 1836-1892* (Baltimore: Johns Hopkins Press, 1955); and Edgar Robinson, *The Presidential Vote, 1896-1932* (New York: Octagon Books, 1970).

Civil War. The mean Democratic percentage for Illinois for the entire period from 1870 to 1972 differs from the national mean by only 2.1 percentage points.

The means for presidential elections for the periods 1876-92, 1900-24, and 1940-60, appearing in Table 1, will give the reader an impression of relative partisan strength during these time spans. Most political scholars view these three periods as eras of partisan stability in American history. The other time periods are eras of partisan instability. The period from 1860-72 involved the Civil War and Reconstruction. The 1896 election and the 1928-36 elections took place in times of partisan realignment, the former bringing the Republicans to national dominance and the latter making the Democrats the national power. Finally, the post-1960 era has been a period of partisan instability, not clearly explained as yet.

Given that presidential election results in the state have so closely resembled those at the national level for so long, it certainly appears that Illinois is a political microcosm of the nation — if only in this very limited sense. One must then ask the more fundamental question of why this is the case. Could it be that the underlying social and economic base of Illinois is an almost perfect miniature of the nation which leads it naturally to mirror the nation in presidential voting?

Such a view gains support from a recent study which concludes that, in recent years at least, the Illinois economy has been almost a duplicate of the national economy.<sup>2</sup> But the inquiry must be broadened. To proceed along these lines, one must show not only that Illinois's economy has duplicated that of the United States since at least the turn of the century (which apparently it has), but also that the state has mirrored the nation on such politically relevant social characteristics as religion, country of ancestry, and class status over this same period. As it turns out, this is only partially true. Rather, as will be shown, Illinois has achieved its status as a bellwether state not by exactly mirroring the underlying social and economic base of the nation, but by achieving the proper balance of these characteristics — and of other structural characteristics such as electoral laws and party organizational strength — that have allowed the state to reflect national patterns during different historical epochs.

Illinois is, of course, one of the largest states in the

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<sup>2</sup> See Robert N. Schoeplein with Hugh T. Connelly, *The Illinois Economy: A Microcosm of the United States?* (Urbana: Institute of Government and Public Affairs, University of Illinois, 1975), and Robert N. Schoeplein, "Illinois and the United States: Some Economic Parallels," *Illinois Government Research* no. 42 (March 1976).

**Table 1**  
**DEMOCRATIC PERCENTAGE OF THE TWO-PARTY VOTE  
FOR PRESIDENT, THE UNITED STATES AND ILLINOIS.  
1860-1972<sup>a</sup>**

Year	Democratic Percentage of the Vote		Electoral College Winner	
	U.S.	III	U.S.	III
1860	42.6	48.2	R	R
1864	45.0	45.6	R	R
1868	47.3	44.2	R	R
1872	44.1	43.3	R	R
1876	51.5	48.3	R	R
1880	49.8	46.6	R	R
1884	50.2	48.1	D	R
1888	50.4	48.5	R	R
1892	47.2	50.3	D	D
1876-92 (mean)	49.8	48.4		
1896	47.8	43.4	R	R
1900	46.8	45.7	R	R
1904	40.0	34.1	R	R
1908	45.5	41.7	R	R
1912	45.3	38.8	D	D
1916	51.6	45.2	D	R
1920	36.1	27.4	R	R
1924	29.0	23.4	R	R
1900-24 (mean) <sup>b</sup>	42.9	37.3		
1928	41.2	42.6	R	R
1932	59.1	56.8	D	D
1936	62.5	59.3	D	D
1940	55.0	51.1	D	D
1944	53.8	51.7	D	D
1948	52.4	50.4	D	D
1952	44.6	45.0	R	R
1956	42.2	40.4	R	R
1960	50.1	50.1	D	D
1940-60 (mean)	49.7	48.1		
1964	61.3	59.5	D	D
1968	42.9	44.3	R	R
1972	38.2	40.7	R	R
1860-1972 (mean)	47.4	45.3		

<sup>a</sup> Figures for 1892, 1912, 1924, and 1968 are Democratic percentages of the three-party vote

<sup>b</sup> The Democratic percentage of the two-party vote was used to calculate the mean because of the extremely low Democratic vote in 1924

country, obviously, it is of strategic importance in the electoral college. Yet, it appears that size has little to do with whether a state achieves the proper socioeconomic and structural "mix" to make it a presidential bellwether. Pennsylvania, for example, is one of the largest states in the country and has an internally diverse population. One might expect that this state, like Illinois, would be a political microcosm of the nation in presidential elections. One certainly would not expect such a heterogeneous state to be as one-sidedly Republican as it was in the late nineteenth and early twentieth centuries. At least two factors, however, need to be considered in the case of Pennsylvania. One was the great ability of its Republican organization to control a winning coalition during the period mentioned under the able, if not always salutary, leadership of political bosses like Simon Cameron, Matthew Quay, and Boies Penrose. The other factor was the lack of any significant southern-oriented element in the state's population during a period when sectional issues were still very central to American politics.

On the other hand, New Mexico, a very small state, has thrown its electoral votes to the winning presidential candidate in every election since 1912 (when it became a state). Obviously, certain unknown factors in New Mexico's political environment have allowed it to follow national patterns despite its small size. It appears that underlying socioeconomic patterns can only partially explain a state's electoral politics. We will return to this point later, but let us first compare the politically relevant social and economic base of Illinois with that of the nation.

#### Sectional Factors

In analyzing socioeconomic characteristics that might make Illinois a microcosm of the nation in presidential voting habits, let us first consider the sectional, or regional, background of its early settlers. One cannot really explain American politics since the Civil War without reference to the regional character of the partisan vote for president, especially prior to the New Deal of Franklin D. Roosevelt in the 1930s. While American partisan configurations have undergone some shift since then, many rural areas of the country with little population growth still cling to the old pattern of a Republican North versus a Democratic South. Given the generally long-term commitment to a party shown by most voters (at least until recently), it is not surprising that even present voting patterns are somewhat affected by this North-South partisan split.

Illinois is interesting and almost unique among the states east of the Mississippi in that it was originally settled from both the North and the South. On the basis of 1880 census figures, the state can be virtually cut in half geographically between areas settled from the North and from the South. In fact, a line drawn from Keokuk, Iowa, to Terre Haute, Indiana, quite nicely divides the two areas of the state from each other (see Figure 2).

The political balance did not reflect this even geographical split. In statewide elections, the southern-oriented population of Illinois was at a political disadvantage compared with those areas settled from the North. For one thing, the northern — and more urbanized — areas of the state were more heavily populated than were the southern areas. In addition, the southern-settled areas were not as committed to the southern cause as were their northern brethren to the northern one. The reason for this was that southern Illinois was settled primarily from the Upper South — states such as Kentucky, Tennessee, and

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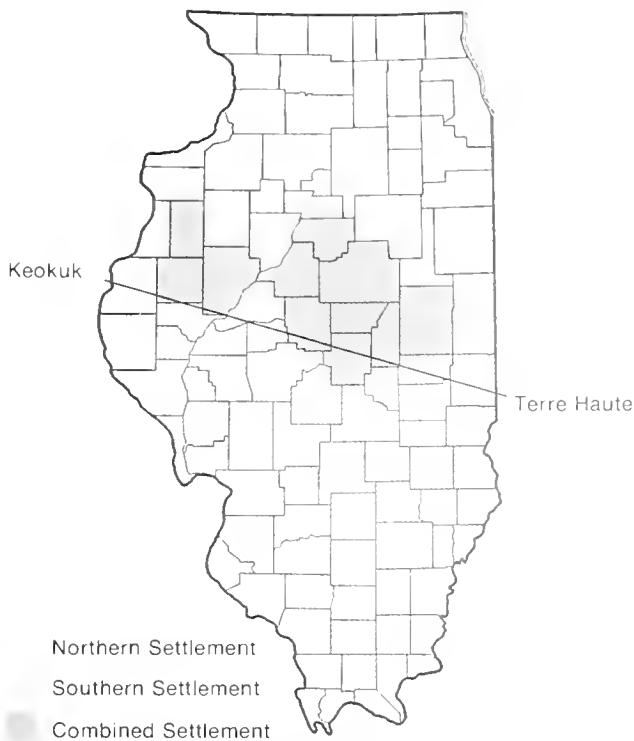
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**Figure 2**  
**NORTHERN AND SOUTHERN SETTLEMENT (1880)**



Definitions from Richard Jensen, *The Winning of the Midwest* (Chicago: University of Chicago Press, 1971), and V. O. Key, Jr., *American State Politics* (New York: Knopf, 1956).

appeal cut across sectional and ethnoreligious lines. Roosevelt would have been expected to have an especially strong impact on a state such as Illinois, with its highly urbanized working-class population compared to the nation as a whole, and, as Table 1 indicates, the Democrats did increase their strength greatly in the state during and after the 1930s.

A closer look at the Illinois data indicates the nature of Roosevelt's appeal. In 1928, Smith carried only one of the urban counties (St. Clair), while in 1936 Roosevelt succeeded in carrying them all. In fact, despite the increased statewide Democratic vote between 1932 and 1936, only 19 of Illinois's 102 counties showed an increase in the percentage of Democratic votes between those two years. Virtually all the counties that gained Democratic votes between 1932 and 1936 were in or adjacent to the most urbanized counties in the state. The only exceptions to this urban movement to the Democrats were St. Clair County (East St. Louis), which remained virtually stationary after becoming the most Democratic county in the state and Sangamon County, home of the Illinois state capital, with a relatively small industrial base. (The 1929 *Census of Manufactures* shows Sangamon County as the least industrialized among the urbanized counties in Illinois.)

Franklin Roosevelt did have some followers in rural areas where organized labor was strong. An indication of this is seen in the voting figures from Franklin County,

where the United Mine Workers had been an important force. This county showed a Democratic increase after the 1930s, since then it has been one of the most consistently Democratic counties of the state (see Table 2).

It appears then that after the 1930s social class became the dominant theme of American politics. One would expect the working-class-based Democratic Party to be favored over the more middle-class-based Republican Party in Illinois's highly urban and industrialized setting. This has not been the case. The Democrats did gain in Illinois as a result of the New Deal, but the Republicans have continued to hold a slight advantage in presidential politics in Illinois as compared to the nation—at least until the very recent past. Other forces besides the basic working-class-middle-class cleavage have obviously been at work.

#### Other Factors

The older sectional and ethnoreligious factors certainly still have an effect on Illinois's presidential politics. Rural northern Illinois has continued to be a Republican bastion while the Democrats have seen their already tenuous foothold in southern Illinois gradually slip away as they have directed their appeals at urban working populations whose religious, ethnic, and racial composition is quite different from the old-stock white Protestant populations of southern Illinois. Most of Illinois's black population is concentrated in the Chicago and East St. Louis areas, and this tends to increase the social distinctiveness of these urban Democratic strongholds from the rest of the state. This helps to explain the continuing Republican strength in downstate urban as well as rural areas.

Some other socioeconomic factors have probably also had some effect on the nature of Illinois presidential politics. The state's population has had a somewhat higher median age level than does the nation as a whole. Since older populations have tended to favor the Republicans, this may have helped the party in the state. The most recent census, however, shows age distribution in Illinois to be virtually identical with that in the nation. Illinois's black population is also now at virtually the same percentage as the national figures, reducing the earlier Republican advantage. On the other hand, the median family income in Illinois has remained higher than that of the nation—a factor that might favor the Republican Party since traditionally more prosperous populations have tended to support it.

To understand Illinois presidential politics, however, one must go beyond the socioeconomic makeup of the state. As pointed out earlier, for example, Pennsylvania's Republican strength in the late nineteenth and early twentieth centuries must be at least partially attributed to the organizational abilities of its Republican leaders. The disfranchisement of blacks in the South in the late nineteenth century was certainly a factor in the weakening of the Republican Party in that region, overriding underlying socioeconomic forces. Such structural factors certainly do influence the political makeup of a state; the question is one of their relative importance in affecting political events. Whatever their degree of importance, there can be little doubt that the structures a state sets up for organizing and expressing the vote can have a profound effect on that vote.

In the case of Illinois, both major presidential parties have maintained strong organizations throughout the twentieth century, signs of weakness have appeared only

immigrant status were very important in determining electoral outcomes; this was particularly true in the election of 1896. The factors that influenced the outcome of this election continued to affect American politics until the late 1920s, and thus it is clear that religion and immigrant status were quite important during the first thirty years of the twentieth century. Even since then, given the stability of partisan attachments in many areas, one could expect these factors to continue to affect the political system.

Outside the South prior to 1896, old-stock American and some older immigrant groups who were members of pietistic Protestant faiths (such as Methodist, Baptist, and Congregationalist) tended to line up with the Republican Party against the Catholics and nonpietistic Protestants (such as German Lutherans). Generally of immigrant stock, Catholics and nonpietistic Protestants tended to side with the Democrats. These latter groups resided primarily in the urban centers of the North, although there were some rural pockets of German Catholic and German Lutheran strength in parts of the Midwest. The effect of the rural, nativist appeal of Democrat William Jennings Bryan, a pietistic Protestant, in the 1896 presidential campaign was to alienate a large share of the urban, newer immigrant populations from the Democratic Party. Bryan's campaign had little effect on the Republican leanings of the northern pietistic Protestants. Ironically, his great appeal in the South left the country more sectionally divided in terms of voting patterns after 1896 than it had been before. The Democratic Party took on a distinctly southern orientation, which lasted into the late 1920s, while the Republican Party was strengthened in the industrialized North and, therefore, in the nation as a whole.

During the twentieth century Illinois has contained relatively higher proportions of urban, Catholic, and foreign-stock populations than has the United States at large. Since these groups were those most alienated by the nature of the Democratic Party after 1896, one might expect that Illinois would be somewhat more Republican relative to the rest of the country between 1896 and 1928 (when the Democrats nominated a Catholic of immigrant stock, Alfred E. Smith) than it was before the turn of the century.

As shown in Table 1, Illinois did become more Republican after the turn of the twentieth century than it had been before, it also became somewhat more Republican relative to the country as a whole during the first quarter of the century. Further, a closer look at the data lends some support to the notion that the drop in Democratic voting was particularly severe in areas of Catholic immigrant-stock con-

centration such as rural Clinton County and urban Cook, Rock Island, and Peoria counties. (Compare the 1876-92 mean Democratic vote with the 1900-24 mean in Table 2.) It would appear, then, that in Illinois the desertion of the Democratic Party by peoples of Catholic and immigrant-stock background added to the party's woes in the early twentieth century.

In 1928 the Democrats made a strong effort to bring these Catholic, foreign-stock populations back into the party by running one of their coreligionists, Alfred E. Smith of New York, for president. A large majority of these populations were located among the urban working class. Some have argued that the New Deal coalition of Franklin D. Roosevelt had its roots in the 1928 presidential election. Recently, others have argued that the 1928 election should probably be viewed as a phenomenon separate from the New Deal realignment.

The Illinois data lend some support to this more recent argument. In urban Macon County, with its predominantly Protestant, old-stock working population, Democratic percentages fell significantly from those generally achieved in the first quarter of the twentieth century, while in rural Clinton County, with a heavily Catholic population, there was a significant jump in Democratic votes in presidential elections (see Table 2). Thus it appears that rather than becoming the beneficiary of a massive working-class movement, in 1928 the Democratic party gained Catholic, foreign-stock votes, while losing Protestant working-class votes.

#### The New Deal and Class Voting

With the coming of the Great Depression in 1929 and the emergence of Roosevelt's New Deal between 1932 and 1936, the older sectional and ethnoreligious cleavages took a back seat to the new working class-middle class cleavage that has since come to characterize American politics. However, the older patterns did not die. One can still see the Republican-Democratic split among rural northern and southern populations, and Catholics and persons of more recent foreign ancestry still show a Democratic bias compared to more Protestant, old-stock Americans. Since the 1930s, however, the issue of class seems to have become more salient than the older issues.

Roosevelt's appeal after 1932 was directed primarily at working-class populations that tended to be concentrated in large urban areas. Of course, his supporters included a large part of the Catholic and foreign-stock populations that had been drawn to Smith, but his broad

Table 2

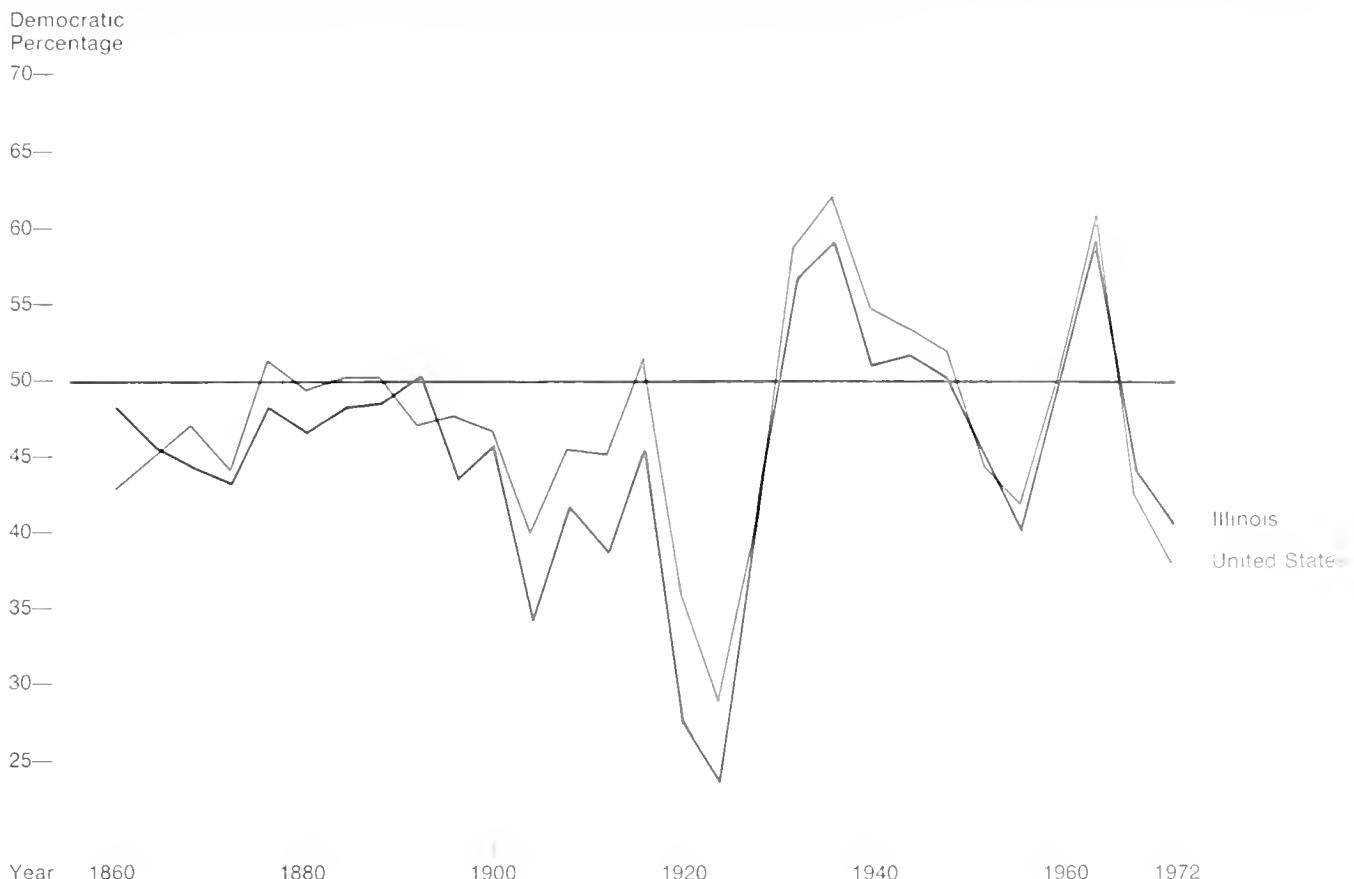
DEMOCRATIC PERCENTAGES OF THE TWO-PARTY VOTE FOR PRESIDENT, SELECTED ILLINOIS COUNTIES, 1876-1972<sup>a</sup>

County	1876-92 (mean)		1900-24 (mean)		1940-60 (mean)		1964		
	1896	1928	1932	1936	1968	1972			
Cook (Chicago)	49.6	40.6	35.6	46.9	57.1	64.1	52.9	63.2	50.7
Macon (Decatur)	47.7	43.3	37.3	28.9	56.2	63.7	51.0	66.1	47.2
Peoria (Peoria)	52.7	46.3	37.7	42.7	59.9	65.4	45.8	58.7	42.0
Rock Island (Rock Island-Moline)	42.1	38.9	28.5	34.5	53.8	62.7	51.9	63.8	49.3
St. Clair (East St. Louis)	53.1	48.2	44.9	54.0	67.5	67.0	60.3	72.4	50.5
Sangamon (Springfield)	53.8	48.8	42.6	39.7	54.9	52.2	45.5	56.6	40.7
Winnebago (Rockford)	27.5	22.8	18.3	18.8	39.9	52.1	44.5	55.0	38.4
Clinton (rural Catholic)	61.1	58.0	50.6	69.1	75.2	59.4	42.2	61.0	36.5
Franklin (rural coal mining)	53.7	52.2	46.9	53.5	66.1	58.8	51.5	64.1	45.8

<sup>a</sup> Figures for 1892, 1912, and 1968 are Democratic percentages of the three-party vote.

Figure 1

) DEMOCRATIC PERCENTAGE OF THE TWO-PARTY VOTE FOR PRESIDENT, THE UNITED STATES AND ILLINOIS, 1860-1972\*



\* Figures for 1892, 1912, 1924, and 1968 are Democratic percentages of the three-party vote

Virginia Sentiment for the Confederacy was much less prevalent in these states than in the states of the Deep South, each of them contained areas of traditional Republican strength. Given this background, it is not surprising that during the first quarter of the twentieth century, when Civil War political divisions were still very much a part of American politics, southern Illinois was politically competitive in presidential elections, while northern Illinois remained a Republican stronghold.

Regional patterns of the presidential vote during the height of the New Deal period, from 1940 to 1960, illustrate the continuing political division between northern and southern Illinois. This division continued in a more subdued form until 1972, at least in rural areas. In 1964 the most strongly Democratic counties, with the notable exceptions of urban Cook (Chicago) and Rock Island (Rock Island-Moline) counties, were generally found in southern Illinois, while nearly all the Republican counties were found in the northern part of the state. In 1968 the southern candidate, George Wallace, drew over 10 percent of the vote in twenty-seven Illinois counties. All but one of these counties were areas of original southern settlement.

In 1972, the regional cast of voting in Illinois (as in the nation) was largely washed away with the overwhelming defeat of the Democrat, George McGovern, in Richard Nixon's landslide. Although most of the twenty-six counties in which McGovern received at least 40 percent of the vote were found in southern Illinois (he carried only Jackson County), the counties he lost by the smallest margins were generally either urban in character or were coal-mining areas of some union strength, such as Franklin County in southern Illinois.

While much of northern Illinois has been a Republican bastion during the twentieth century, southern Illinois has not been the Democratic bastion that the American South has been. This fact serves to explain why the state as a whole had a Republican bias prior to the New Deal. It also explains why rural portions of the state have retained this bias.

#### Ethnoreligious Factors

Other socioeconomic factors besides region are also important in determining voting behavior. As has been documented, in the late nineteenth century religion and

quite recently. Such organizational strength is found in the low degree of split-ticket voting that has characterized the state's elections. Organizational strength is also evident in the state's closed primary system, which made it extremely difficult to cross party lines until 1972. The state's strong-party organizations are also evident in the use of the party column ballot, which facilitates straight-ticket voting and helps keep partisans in line. These structures both reflect strong major party organizations and encourage their continuation. The relatively high turnout in Illinois elections compared to the nation also indicates the ability of the party organizations to turn out their followers.

A closer look at the party organizations in Illinois is instructive. The Democratic organization has been very powerful in Chicago and East St. Louis, but quite weak downstate. On the other hand, Republicans, while lacking the centralized party structure that has characterized the Democratic organization, have maintained stronger party organization than the Democrats downstate and have had a strong organization in the suburban areas of Cook County as well. Here is another reason why the Democrats have been weaker in Illinois presidential voting than one might expect from socioeconomic data. They have not maintained a downstate organization strong enough to pull sufficient numbers of potential Democratic voters to the polls — perhaps a factor in the inability of the Democrats to maintain their majorities in downstate urban areas after 1936.

Another structural factor probably helped the Republicans maintain their relative strength until at least the mid-1960s. That was the failure of the state legislature to reapportion legislative and congressional seats on the basis of population resulting in more legislative and congressional strength for Republican-leaning rural areas of the state than their populations would otherwise allow them. In terms of presidential politics, there were relatively more Republican than Democratic officeholders to mobilize the party faithful on election day. Of course, the Supreme Court decisions of the 1960s requiring population-based apportionment have changed this situation.

In the early 1970s, some weakening of both parties' organizations has been evident, in Illinois as in the nation. In 1972 Republican candidates for president and U.S. senator carried the state by lopsided margins, while Democrats captured the governor's chair and the secretary of state's office. In Cook County a Republican wrested control of the state's attorney's office from the Democrats. In the 1976 Democratic presidential primary, Jimmy Carter won despite the party organization's efforts to elect an

uncommitted slate, and a black Democratic antiorganization candidate won renomination to Congress from Chicago.

Nevertheless, the party organizations in Illinois still appear to be quite powerful. Split-ticket voting appears to occur less frequently in Illinois than in many other states, and turnout still appears to be somewhat above the national average. The state Democratic organization showed a good deal of muscle in the 1976 primary, when it succeeded in deposing the antiorganization incumbent Democratic governor. Given this high degree of organizational strength, it appears unwise for either a Democratic or a Republican presidential candidate to take the state for granted.

The addition of the eighteen-year-old vote is a recent structural change that could also influence Illinois politics. Because age distribution in the state is very much like that in the nation, state and national voting returns should be affected in about the same way by this factor. Certainly the bonanza which the McGovern forces expected in 1972 by the addition of this group did not materialize, but there do appear to be localized effects in areas where the eighteen-year-old vote has been mobilized effectively. For example, three of McGovern's strongest counties in Illinois were areas with large college student populations. He succeeded in carrying Jackson County (Southern Illinois University) and drew better than would have been expected in normally Republican Champaign County (University of Illinois) and DeKalb County (Northern Illinois University).

#### Conclusion

It appears that while Illinois's socioeconomic base gives the Democrats an edge in presidential voting generally, the Republicans have been able to more effectively mobilize their potential following in the state. This has made Illinois quite competitive in presidential elections, and it has closely mirrored the presidential voting patterns of the nation. Where changes presently occurring in state and national politics will lead is open to speculation. Some say that the parties are decomposing as viable political organizations. Others feel that a somewhat changed New Deal cleavage will again emerge. Still others foresee a period of instability until the parties find new cleavages that are relevant to the present political period. All these changes will lead to a different kind of presidential politics. With these changes, Illinois's presidential voting patterns may diverge from those of the nation. For now, the state remains a national electoral microcosm.



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## VARIATIONS IN EXPENDITURE LEVELS BY ILLINOIS LOCAL GOVERNMENTS, 1942-72

Jeff Stonecash

As they become increasingly apparent, differences among local governments in levels of expenditure are beginning to be a prominent policy concern. To the extent that expenditure levels reflect policy commitments and/or service levels, variations among them also reflect unequal levels of policy benefits. To local officials interested in raising levels of service in their communities, the existence of these differences often serves as an arguing point in efforts to obtain more state aid and to persuade the state to take action to reduce differences in levels of expenditures among localities. Many state officials are beginning to adopt the view that state government should ensure some minimally acceptable level of government services in each of its localities. However, the issue of equalization remains controversial. In addition to the conflict which usually revolves around questions of equity and unequal distribution of state funds, this issue also involves the right of local officials to autonomously formulate and implement policy independent of state action.

In light of the implications of these expenditure differences, this study examines the extent of diversity in expenditures for various policy areas for all Illinois counties and for Illinois municipalities above 10,000 in population for the period 1957-72. The extent of diversity of expenditures for a set of municipalities above 25,000 population is then examined for the period 1942-72. The focus throughout is upon whether there has been any change in the extent of inequality over the respective time periods. A limited examination of why some policy areas evince more diversity than others is also undertaken.

### The Issue

The issue of inequality in expenditure levels has been a subject of continual debate in state and local politics, particularly in such areas as education and public welfare. Those who argue for the maintenance of inequality usually defend the right of different communities to establish different benefit levels. These differences may be in response to unique needs of a community or may reflect some communities' desires to devote more resources to one area — education for example — than to other areas. Proponents of equalization, on the other hand, argue that differences in service levels not only tie resi-

dents to their neighbors' policy preferences, but also perpetuate inequality of opportunity in society. In the case of the poor, differences in service or benefit levels which stem from the average wealth of the community are even more restrictive, because poorer individuals lack the resources to move to communities with higher service levels. For example, in regard to police services there has been a significant difference in per capita expenditures between cities like East St. Louis and Highland Park, and this difference has persisted overtime. In 1957 the per capita expenditures in this area by East St. Louis and Highland Park, respectively, were \$6.78 and \$9.97. In 1972 the respective per capita expenditures were \$22.57 and \$29.04. These differences become even more striking when the expenditure levels are compared to crime rates. In 1972 the number of serious crimes per 100,000 people in East St. Louis was 9,401, while that in Highland Park was only 2,089. This illustrates that very often differences in levels of service are due not to variations in local needs or conditions, but to variations in local wealth. It is differences like these which are at the base of the equity debate.

This debate has led to increasing awareness of the differences in expenditure levels among cities. The equity debate has also prompted some action by the federal government in such areas as welfare payments to the states and by state governments in such areas as education aid to localities. The attempt has been to equalize expenditure and service levels of local governments. The federal government and the states have also sought to encourage common minimum standards for the performance of such local services as sanitation and sewerage.

At the local level, the equity debate has been accompanied by some poorer governments seeking additional funds to improve their service levels relative to other localities. In Illinois this general issue of equalization has been most prominent in the area of education, where many attempts have been made to distribute state funds in a way which will result in equalization of expenditure levels. In general, the efforts of the federal government and the states in the area of equalization have usually been more indirect, involving the encouragement and occasionally the mandating of common minimum service levels for local governments.

The concern in this analysis, however, is not a comprehensive or historical review of what efforts toward equalization have been made by various levels of government. Rather, what is examined is whether the sum total of ac-

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**Table 1**  
**COEFFICIENT OF VARIATION IN PER CAPITA EXPENDITURE LEVELS, ILLINOIS MUNICIPALITIES AND COUNTIES, 1957-72**

Category of Expenditure	1957	1962	1967	1972
Municipalities				
Sanitation	84	77	75	77
Fire	42	64	62	56
Libraries	*	1 08	82	1 14
Police	41	41	55	37
Health	1 54	*	1 83	1 69
	(117)	(117)	(114)	(114)
Counties				
Public Welfare	1 21	1 58	1 51	1 57
Hospitals	2 55	3 75	4 16	5 03
	(97)	(102)	(101)	(101)

\*Data not available

NOTE The number of cities or counties actually included in the calculations for each year is indicated in parentheses. In some years the number of cases is less than the potential, since some units did not report data

tivities by various levels of government has resulted in any move toward equalization among Illinois local governments. No exploration of factors which affect the extent of diversity will be made. Instead, the initial focus is the extent of diversity and changes in diversity from 1957-72.<sup>1</sup> This period is particularly interesting because between these years state and federal intervention in local affairs increased considerably. An examination of the period 1947-72 will also be made.

#### Expenditures by Municipalities and Counties 1957 TO 1972

As noted above, the indicator used in this analysis is per capita expenditures in various functional areas by Illinois counties and municipalities, the two major types of local general governments in Illinois. The figures used here

<sup>1</sup> Data are reported in this way because they come from the Census of Governments, which is published twice each decade

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represent only expenditures by the individual unit of government, not included are all expenditures within the geographical area encompassed by the municipality or county by other governments such as special districts and school districts. The percentage of the municipal or county budget spent on each function was also analyzed for the same periods of time, but since the results of that analysis were virtually identical to the results obtained using the per capita figure, the percentage analysis is not reported. The data were taken from the Census of Governments for 1957, 1962, 1967, and 1972. All municipalities with populations of 10,000 or more for each of those years were included in the analysis. All counties were also included.

The general concern here is whether inequality, or diversity, has declined over time. To examine this, it is first necessary to obtain an indication of variation, or difference, among all comparable units for any given year. For example, how much variation was there for all cities in 1957? The next — and most important — concern is how this variation compares to variations in other years. The initial indicator of variation employed is the range in per capita expenditures for various functions. From the range, we learn the highest and lowest per capita expenditures in dollars among the units of government under consideration for the years 1957, 1962, 1967, and 1972. To avoid comparing expenditure levels in policy areas in which the responsibility for the function is divided between different local government units, only expenditures which are basically "common" to either municipalities or counties are included. This is necessary because in such areas as housing and urban renewal some municipalities expend funds through city agencies, while others set up special district housing authorities to expend funds. The result is that in these areas the cities may vary considerably in terms of their per capita expenditure levels, but the difference reflects only variations in divisions of responsibilities by governments; examining the extent of diversity of expenditures in such areas would be misleading. The areas which qualify as common local functions for Illinois municipalities are police, fire, sanitation, and libraries, with health being a somewhat less valid inclusion. For counties the only common function is that of public welfare, with hospitals a marginal case.

On the basis of the range, there does not appear to have been any general tendency toward a reduction in the diversity of local government expenditure levels across time. In all categories of expenditure examined, the difference in per capita expenditure levels increased from 1957 to 1972. In some categories — such as fire and libraries for municipalities and public welfare for counties — the increase in the spread between the highest and lowest expenditure levels was considerable. The biggest change has emerged in police expenditures by municipalities, where the difference in 1972 was four times as large as the difference in 1957.

The range is not always a good indicator of diversity, however, for it represents only the difference between the two most extreme cases involved. While the range does give some idea of variation, a more useful summary indicator is the coefficient of variation. This index is arrived at by determining the average expenditure for all cases, and then calculating how much each case differs from this average. These differences are then manipulated, summarized, and divided by the mean to give an indication of the average amount of variation for all the cases. With

**Table 2**  
**COEFFICIENT OF VARIATION OF PER CAPITA EXPENDITURES, ILLINOIS MUNICIPALITIES OVER 25,000 POPULATION, 1942-72**

Category of Expenditure	1942	1947	1952	1957	1962	1967	1972
Sanitation	67	54	63	78	60	67	66
Fire	.30	23	28	31	34	46	38
Libraries	62	52	58	•	88	75	107
Police	36	38	38	39	47	44	35
Health	81	1.42	1.04	1.10	•	1.54	1.57
	(26)	(26)	(26)	(40)	(40)	(57)	(57)

\*Data not available

NOTE The number of cities used in the calculations for each year is shown in parentheses. In some years the number of cases is less than the potential, since some units did not report data

this indication the impact of inflation is taken into account and eliminated, which the range does not do. The coefficient of variation can then be compared across time to see if the average amount of variation of government per capita expenditure levels has also varied. The meaning of this indicator can be shown by an example. Assume that data exist for four cities for year one and year two. In year one, the per capita expenditure levels for four functions are 3.0, 4.0, 4.0, and 5.0. In year two, the respective expenditure levels are 3.0, 5.0, 8.0, and 11.0. In the latter year the extent of diversity is considerably greater than in the former. This difference is shown in the coefficient of variation for the two years. For year one it would be .18, for year two, .44. The coefficient of variation can have a lower bound of 0 (which would be the case if all per capita expenditure figures were the same in one year) but has no upper bound. As the value of the coefficient increases, it indicates greater diversity in per capita figures.

This index was calculated for municipalities and counties for the same expenditure areas for the years 1957, 1962, 1967, and 1972, with the results shown in Table 1. The basic question of interest here is whether there is a pattern of declining diversity over time. The results do not suggest that this trend exists. Only in the area of sanitation for municipalities is the extent of diversity in expenditures in 1972 less than in 1957, but the difference is slight. In the three areas of fire, police, and health for municipalities there was a decline in diversity from 1967 to 1972, but since this change occurred for only one interval, it would be premature to interpret it as a trend. The fact that, in all cases but one for both municipalities and counties, the extent of inequality was greater in 1972 than in 1957 indicates that during this fifteen-year period, no strong tendencies were present toward equalization of expenditure levels.

The lack of a tendency toward standardization of service levels means that there are still significant differences in benefit and service levels among Illinois communities. Although the causes of these variations have not been examined here, previous research on Illinois municipalities indicates that the differences are due primarily to variations among local governments in resource bases (including average income level and average assessed property values). To the extent that this is still the case, the inequalities

found here may reflect a situation such as that illustrated by the examples of East St. Louis and Highland Park. The variations in expenditure between these two cities may not be the result of levels for police services or variations in needs and social conditions, but rather of variations in local wealth. It is such situations which prompt concern for equalization.

This is not to say, of course, that no standardization of other aspects of policy has taken place within the state. In many areas — such as the enactment and enforcement of open housing laws and of air and water pollution standards — there have been considerable efforts (and some success) by state government to establish uniform policy practices by local governments. It may be, therefore, that the distribution of policy benefits within each governmental unit has become more uniform, and that some policy practices are more similar now than they were twenty years ago. That question, however, is beyond the focus of this study, where the concern is limited to the question whether, among local governments, inequality of expenditure levels (which are closely related to service levels) has declined over time. The evidence examined suggests strongly that this diversity has not declined.

#### INEQUALITY OVER TIME

To further check for variations in inequality over time, a similar analysis was conducted for the five-year intervals between 1942 and 1972. Included were all cities over 25,000 population, the same expenditure categories examined previously were used. These data were also taken from the Census of Governments. Because of the unavailability of county data, only municipalities were considered. The coefficient of variation was again used as an indicator of diversity, with the results shown in Table 2. The concern here is again whether there has been a decline over time in the extent of inequality of expenditure levels among cities. This would be shown by a decline in the value of the coefficient of variation over time. The results do not suggest a decline in the extent of diversity of expenditure levels among municipalities.

Making an overall assessment among the different categories of expenditure is difficult, but it appears that the extent of diversity has either stayed roughly the same or has increased somewhat. These results coincide with those presented earlier in suggesting that there has been no reduction in the inequality of expenditure levels among Illinois local governments.

#### VARIATIONS ACROSS EXPENDITURE AREAS

Another pertinent point that these data suggest is the difference in the extent of variation from one policy area to another. Why are there persistent differences in the extent of inequality between functional areas of expenditure? For example, the coefficients of variation for municipalities for police and fire are much lower for all years than those for libraries and health.

Two related reasons might explain these differences. The first is whether in a given policy area there exist legal state minimums or common standards which would reduce local freedom to set levels of expenditure. While a policy area may be locally controlled and administered, the existence of such minimums would serve to reduce diversity among cities. This is very likely the reason for the low variation in expenditure levels among municipalities for police and fire protection. Throughout the time period

covered here, there have been state-mandated minimum salary ranges for both police and fire personnel. These standards have probably led to a great deal of similarity in expenditure levels in these two areas.

The second possibility is that even though a policy may be largely locally administered and locally delivered standard guidelines or norms for the policy area are encouraged at the state level. This also acts to produce great similarity among cities in their policies and subsequent expenditure patterns. This explanation seems to account for the pattern of police and fire services, for there have been strong efforts to produce common norms in these services across the state. In contrast health and library service levels are more matters of local discretion. Given variations in tax bases and in population needs and desires, there is likely to be more diversity in expenditure levels in these areas. Together these two explanations seem to account for the relative lack of diversity among cities' expenditures for police and fire services.

#### What Options Exist to Equalize Expenditure Levels?

While there has been considerable discussion about the homogenization or standardization of policy in American society and many have wished to reduce inequalities of policy benefits among different governments, the evidence examined for Illinois does not indicate a trend toward such equality — at least not on the basis of the indicator used here. The coefficient of variation as an indicator of per capita expenditure levels is particularly important because it deals with the average levels of benefits available for distribution by officials in each local government. The evidence suggests that the hope for greater equality cannot rely on any ongoing tendencies within the state.

What, then, are policies which might serve as remedies for the inequality among localities which now exists? There are essentially four remedies for this situation, and they are worthy of a brief review. The first two are to equalize either the service-cost conditions or the tax bases of local governments. One of these options would entail pursuing policies resulting in an equivalent quality of life in each community, with the greatest assistance provided to the neediest areas. The second would involve producing equivalent tax bases in each locality by controlling the location

of industry and businesses. Both of these are impractical and would require more coercion than would probably be accepted in this society.

The third option would be to give localities more autonomy to extract additional revenue from their existing resource bases. This possibility is usually associated with home rule. In Illinois, with one of the strongest provisions in any state, a major goal of home rule is to reduce state control over local taxation practices. Even though a degree of independence of tax activity is possible for Illinois home rule units, such independence is an inequitable and unlikely method for correcting disparities in tax revenues among local governments. It would be inequitable because those localities with the greatest service or expenditure needs are usually those with the poorest tax bases. Although poorer localities would be free to set very high tax rates or seek new taxes, their tax bases would remain unaffected. In addition, if such high tax rates were achieved, much of the existing tax bases of these localities would probably flee, producing even greater disparities.

The final option is that of attempting to reduce disparities in expenditure by relying on state-level taxation and policies to distribute state aid. This is the intent of the Illinois school aid equalization program. This method seems the most likely means to reduce inequalities in total expenditure levels. The state has the ability to levy taxes which are not as easily avoided as are local levies, and to tap sources which are unequally distributed across municipalities. But such a policy cannot provide for total equity in specific expenditures unless the state regulates all of the functional activities of its subunits, and insists that rich areas place a ceiling on their spending rates. Given present conditions, the state aid mechanism can at least benefit the neediest localities and support those activities which are state-wide. This method seems the most likely means to reduce inequalities in expenditure levels. The state has the ability to levy taxes which are not as easily avoided as are local levies. Also provided by this method is a central point from which to pursue a coordinated process of equalizing revenues and matching these revenues to cost and service conditions. It appears that given present conditions, it is the latter means which would have to be used to remedy disparities in expenditure levels among localities.



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## CASE LOAD PRESSURE AND FELONY TRIAL COURTS: COOK COUNTY

Peter F. Nardulli and Kathleen Proch

The effects of heavy case loads upon the operations of criminal courts in Illinois, as well as in almost every other state in the nation, have been the subject of much concern for over fifty years. Indeed, much of the existing empirically oriented research on criminal courts attempts to outline the effects of case load pressure upon various aspects of court operations. Criminal court practitioners (judges, prosecutors, public defenders, and other courtroom personnel) are usually portrayed as overworked officials adapting to adverse conditions and doing the best they can to administer criminal justice fairly and efficiently. As pervasive as the notion of case load pressure has been, however, the effects of variations in this pressure on the operations of criminal courts have not been examined rigorously and systematically. Coupled with this situation are recent challenges to traditional views on criminal courts. Many contemporary criminal justice researchers question the relationship between case load pressure and criminal court malfunctioning, as well as the utility of resolving criminal court problems by simply increasing court manpower. In their view, case loads provide a convenient explanation — a "nonreactive cause" — for what takes place in criminal courts. That is, unlike judges or prosecutors, case loads cannot respond to accusations.

Here, elements of this controversy are addressed. First, a brief overview of the historical development of the case load controversy is given, with particular emphasis upon Illinois and Cook County. Then, the results of a limited empirical examination of the effect of variations in case load pressure upon the operations of Cook County felony trial courts are reported. These results show that variations in case loads have no impact upon some of the most important aspects of trial court operations. An explanation for these findings is presented which focuses upon several unique institutional features of criminal courts. Some empirical evidence is also offered for this view of trial courts. Finally, implications of these analyses for court reform are considered.

### Historical Perspective

The first serious examination of criminal courts in Illinois was the *Illinois Crime Survey*, first published in 1929 by the Illinois Association for Criminal Justice. The major focus of the case load problem as discussed in this work was on Cook County courts. In the county system at that time, trial court cases often took over three months to complete; only 19.7 percent of all defendants initially charged with felonies were convicted. Over 81 percent of these convictions were the result of guilty pleas. Of

those convicted, 21 percent were given probation, while another 25 percent were given sentences of less than one year in confinement. To the crime survey researchers, these figures indicated gross inefficiency and massive malfunctioning in the criminal court system — due, at least in part, to the volume of cases it processed. In 1928, trial court judges handled an average case load of 750. The researchers argued that this work load was far too high to process cases effectively. Many potentially culpable defendants had their cases dismissed by prosecutors because of insufficient resources. In addition, case load pressures forced judges and prosecutors into plea bargaining with defendants. This, it was argued, accounted for the high guilty plea rates and relatively light sentences.

The *Illinois Crime Survey* was just one of many such studies conducted during the 1920s. Most reported similar results and advocated similar reforms, prominent among them proposals to increase criminal justice resources to combat the case load problem. Since these ground-breaking crime surveys, other studies have reached similar conclusions. Their major contentions were aptly summarized in the 1968 report of the President's Commission on Law Enforcement. It stated: "The final and most serious problem of urban and suburban courts is the enormous volume of the crime and delinquency cases that come before them. . . . Partly in order to deal with volume, many courts have routinely adopted informal, invisible, administrative procedures for handling offenders." The commission, along with most other contemporary students of criminal courts, advocated large increases in criminal court resources to combat the problems attributed to volume.

More recently, similar conclusions were drawn by the Chicago Bar Association in its 1975 Program for Action. A study of the criminal justice system in Cook County led the association to advocate major reforms. It found that because case loads were high, trial preparation by prosecutors and public defenders was hasty and inadequate. Moreover, while some guilty defendants went free when delay discouraged witnesses, other defendants remained incarcerated for many months, only to be found not guilty at trial. In short, the system was ineffective, inefficient, and undignified. These observations were followed by recommendations that the number of judges, bailiffs, clerks, prosecutors, public defenders, and probation officers be increased sharply.

As is evident, the bar association's proposals and the state legislature's actions are clearly within the mainstream of traditional thought on criminal justice reform. It must be recognized, however, that while traditionally much reliance has been placed upon increases in court resources to reduce plea bargaining and dismissal rates, the effect of increased resources upon courtroom operations has

never been documented. In fact, there is scattered evidence which indicates that significant increases in resources have little influence upon courtroom operations. If the *Illinois Crime Survey* data and those of crime surveys in other states are examined, it is clear that, as far back as the 1920s, dismissal rates, guilty plea rates, and court delays have been similar in urban and rural jurisdictions — despite vastly different case load problems. One study showed that in Connecticut, trial rates (the proportion of cases disposed of by trial) of about 10 percent have been relatively constant since the late 1880s.

More recently, it has been demonstrated that dramatic changes in the ratio of manpower to case load have not had much impact upon the dispositional process. In Connecticut, for example, a 1971 change in jurisdiction laws almost halved the case load in some superior courts. Even though there was no reduction in manpower in these courts, neither was there an appreciable increase in the trial rate.

#### Cook County Felony Case Loads

One important aspect of the case load controversy is the effect of case load levels upon guilty plea rates, dismissal rates, and sentences in guilty plea cases. A sample of 816 felony cases disposed of during 1972-73 in the Criminal Division of the Cook County Circuit Court was examined in this light. During this period the size of judges' monthly dockets varied a good deal. These cases were analyzed to determine whether they were processed differently in months when dockets were light from months when dockets were heavy. From January 1972 to June 1973 judges' monthly dockets varied from a low of 109 to a high of 559 cases, with a mean of 283 cases. To simplify the analysis, months in which cases were disposed of during this time were categorized according to whether individual judges' dockets were high, medium, or low. The criteria used in this categorization are reported in Table 1, which also shows the number of cases disposed of in each of the three categories.

Since there was a good deal of variation in case load pressure during the time when the sample of felony cases was taken, one would expect markedly different court outputs in each of the three periods. If the expectations of traditional researchers are correct, dismissal rates and guilty plea rates will be higher in months when case loads are high than in months when they are low. When case loads are low, it would be expected that prosecutors and judges would be under less pressure to secure guilty pleas and more able to pursue cases to trial. Sentences in guilty plea cases during months with low case loads are

**Table 1**  
**JUDGE CASE LOAD AT DISPOSITION**  
**January 1972-June 1973**

	Range of Case Loads	Number of Cases in Sample	Cumulative Frequency
Low	109-239	200	33.4
Medium	242-313	198	66.6
High	314-559	200	100.0

expected to be higher than sentences during months with high case loads; presumably, judges and prosecutors have stronger bargaining positions when case loads are lower.

It should be noted that meaningful results cannot be arrived at by a simple comparison of guilty plea rates, dismissal rates, and sentences at different levels of case loads. Many factors other than case load pressure affect the criminal process. The seriousness of the offense, the weight of the evidence gathered, the predispositions of the judge, the type of defense counsel, relevant characteristics of the defendant, and many other factors influence the outcome of a case, and they must be taken into account. By statistical manipulation through multiple regression analysis, extraneous factors can be controlled while analyzing a given factor of prime interest. In this study, multiple regression was used to assess the impact of case load upon case outcomes while controlling for such extraneous factors as case seriousness, weight of the evidence, and type of defense counsel. What will be reported is the impact of variations in case load pressure upon a typical armed robbery case involving a typical defendant and handled by a typical defense counsel, prosecutor, and judge. It should be emphasized that while guilty plea rates, sentences, and dismissal rates would be different if another type of offense were used, the differences attributable to variations in case loads would not vary.<sup>1</sup>

The results of the regression analyses are shown in Table 2. With extraneous factors controlled, the effects of different levels of case load pressure upon case outcomes were found to be negligible and statistically insignificant (that is, the observed differences were so small that they could be solely due to chance). Consider the first row of numbers, which reports, for high, medium, and low levels of case load pressure, the probability of a typical

**Table 2**  
**IMPACT OF CASE LOAD PRESSURE  
ON PREDICTED OUTCOME  
OF A TYPICAL ARMED ROBBERY CASE**

	Case Load Pressure		
	Low	Medium	High
Predicted proportion of guilty pleas	74%	72%	70%
Predicted proportion of dismissals	18%	18%	18%
Predicted sentence after a guilty plea (months)	55.7	58.5	61.2

armed robbery case's resulting in a guilty plea. These probabilities, expressed as proportions, may be viewed

<sup>1</sup> For a detailed discussion of factors affecting the disposition of cases in Chicago felony courts, see Peter F. Nardulli, *The Courtroom Elite: An Organizational Perspective* (Cambridge, Mass.: Ballinger, forthcoming 1978).

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as roughly corresponding to the average guilty plea rates for typical armed robbery cases in each of the three categories. As evident from the figures, differences in these average rates are minimal. Even these slight differences are not in the expected direction — guilty plea rates are marginally higher when case load pressure is low than when it is high.

The figures reported in the second row of Table 2 are the predicted probabilities of a typical armed robbery case's being dismissed in each of the three categories. There are no differences at all in these figures, again contrary to what traditional criminal justice researchers would expect. Finally, the third row of the table reports predicted sentences for a typical armed robbery case. Here again the predicted differences are contrary to what traditional researchers would predict, and these differences are too small to be statistically or substantively significant.

The results reported here indicate that, as shown by other recent studies, differences in case loads do not appear to affect case outcomes to any major degree. Cases disposed of during months when case loads are low are apparently disposed of in the same manner as in months when case loads are high.

### Levels of Operation

One explanation for these findings has to do with utilization of court resources. Traditional researchers assumed that criminal courts were operating at or beyond capacity levels. Given such overutilization, it is logical that increases in case loads would affect case outcomes. Despite the constant cries of overburdened officials, even the most casual observer in the Cook County felony trials courts in 1972-73 would have noted much idle time. Indeed, a *Chicago Sun-Times* study published in 1973 estimated that a criminal court judge in Cook County spends an average of only two-and-three-quarters hours a day on the bench. During the time of this study, judges worked somewhere between three and five hours per day. Such a situation is not unique to Cook County. Studies in Connecticut and elsewhere have indicated that some judges spend as little as one to three hours on the bench each day.

### Courts as Organizations

The observation that, as elsewhere, there is considerable excess capacity in the Cook County criminal court system leads to a second important point. Almost 60 percent of all trial court cases in Cook County result in guilty pleas, and these pleas account for 80 percent of all convictions. If plea bargaining and other less publicized, informal, "administrative" procedures are largely due to case load pressure, why are they so pervasive in times of excess capacity? The answer to this question can be found in a new and different way of looking at criminal courts. Many contemporary scholars are beginning to view criminal court operations in much the same manner as they view the operations of any organization; criminal courts are perceived to handle their case loads much as a welfare agency or health clinic handles its work. Of course, as organizations go, the "court organization" has several unique aspects, which help to explain why administrative shortcuts exist in periods of excess capacity.

Most of the court organization's work is performed by two sets of work groups (courtrooms) — preliminary hearing courts and trial courts. In each work group, cases are processed by a set of criminal justice officials — a judge, a prosecutor, and a public defender or private defense counsel — who, working together over an extended period

of time, develop close ties and common understandings. Unlike most organizations, where power and discretion are vested in the upper levels of a hierarchy, in the court organization, power and discretion are vested in the work groups. The judge, the prosecutor, and the defense counsel control virtually every important aspect of a case's disposition. The prosecutor initiates charges and has the power to drop or amend them, as well as the power to recommend sentences. The judge also has the power to dismiss charges. In addition, he is responsible for ruling on motions, for passing sentence on convicted defendants, and, often, for determining guilt or innocence. Among other powers, the defense counsel can raise and argue legal motions and appeal adverse rulings.

Besides their almost monopolistic power, courtroom work groups have another important characteristic vital to understanding why administrative shortcuts exist during periods of excess capacity. That is, it is in the self-interest of those who control the dispositional process — the judge, the prosecutor, and the defense counsel — to handle their cases expeditiously. A defense counsel generally is paid the same whether a case goes to trial, is dismissed, or a guilty plea negotiated. Generally low fees in criminal cases make it imperative that these attorneys turn over large numbers of cases with minimal expenditure of resources. Most private attorneys could probably not afford to provide every client with a truly adversary defense.

Similarly, judges, prosecutors, and public defenders are interested in expeditious dispositions. Each day they have a set number of cases to handle. The less time they devote to each, the sooner they will be able to complete the daily call. Hence, except for very serious or highly publicized cases, these officials have a built-in incentive to handle cases quickly and informally; this incentive exists whether there are two or two hundred cases on the daily docket. This personal incentive to expeditiously handle cases is reinforced by the view, widely held by most criminal justice practitioners, that most defendants in the trial courts are factually guilty of something. In their view, the question posed by most cases is not, did the defendant do it, but, what do we do with the case now that we have it?

To summarize, if one regards courts as organizations, the existence of informal administrative procedures, such as plea bargaining, during times of excess capacity can be explained by the nature of criminal court work groups and participants' perceptions of their clients. It is in the interest of the judge, prosecutor, and defense counsel to informally dispose of most cases and, because they have the power to realize these ends, expeditious methods are dominant even during slack periods.

This explanation, however, raises a variety of questions. If in fact criminal courts do operate like organizations, then changes in case loads cannot be irrelevant to court operation. In order to exist over an extended period of time, an organization of any type must be responsive to its environment. General Motors, for example, must respond to changes in demand if it is to remain competitive. Likewise, the court organization cannot be indifferent to the public, and changes in case loads are a loose indicator of demand for services by the public. Increased case loads are evidence of either increased crime or increased public propensity to report crime. Thus, if the criminal court system operates like other organizations, it would be expected to respond to demands for increased services by increasing its output. This is especially true if, as has

been alleged here, the court system can accommodate more cases than it does presently.

#### Response to External Demands

To analyze whether the court organization responds to external demands for increased services by increasing its output, the average number of indictments each judge disposed of during 1972-73 was examined for each of the three categories of the two case load variables. Regression analysis again was used, this time to determine the number of indictments in a given month that a judge would be expected to dispose of in each of the three case load categories (high, medium, and low). For high case loads, thirty-one indictments were disposed of during the month; for medium, twenty-eight, and for low, twenty-three. These differences were in the expected direction (the greater the case load, the greater the number of indictments disposed of), and they were statistically significant. For example, the predicted number of indictments disposed of by a judge in a month when case loads were considered high was almost 50 percent greater than the number in a month when case loads were considered low. Thus, while guilty plea rates, dismissal rates, and sentencing structures were not affected by changes in case loads, as most traditional researchers had thought, those who control the dispositional process do seem to respond to perceived external demands for increased services by giving the public "more of the same."

#### Policy Implications

The policy implications embodied in traditional criminal justice research were quite straightforward. To alleviate such problems as plea bargaining, high dismissal rates, and lenient sentences, criminal court resources must be increased. Experience in Cook County and elsewhere, however, shows that the problems plaguing the American criminal court system are not so simple, nor are their solutions.

The analysis undertaken here has no straightforward policy implications, but it does suggest areas where changes might be fruitful. First, the fundamental problem facing criminal courts may be simply one version, albeit unique, of the classical bureaucratic problem. That is, a small cadre of individuals — charged with the responsibility for performing a given task, vested with the power to perform it, and subjected to few external constraints — has utilized the resources under its control for its own self-interest. Increasing the resources of such a system merely

makes the pursuit of this self-interest easier. This is not to say, however, that additional resources will not be needed to bring about a truly adversary criminal justice system. Before such resources will produce favorable results, however, fundamental changes in the power structure within courtroom work groups should be made. More specifically, power needs to be decentralized, and adversary relations among the participants need to be institutionalized.

Although these goals seem very abstract, several steps could be taken to achieve them. First, charging, dismissal, and sentencing powers could be stripped from the courtroom work groups. An independent charging board could be set up to evaluate cases referred by the police. The board could refuse to initiate charges in some cases, utilize diversionary programs in other cases, and send others into the felony court system. Cases sent to the court system would then be assigned to a criminal court. The sole function of these courts would be to decide the guilt or innocence of the defendant. If guilt were determined, the case would be sent to an independent sentencing board which would then impose sentence in accordance with set, though flexible, criteria. Such a process would virtually eliminate plea bargaining and many of the sentencing disparities which result from the bargaining process and the propensities of the participants. To ensure that the determination of guilt or innocence is made in an adversary context, an incentive system could be introduced involving financial inducements to prosecutors and defense counsels for their successful handling of a case.

These ideas are, of course, merely rough suggestions for improving the criminal court process. Many problems would need to be worked out and refinements introduced before they could be implemented. Also, their use would require the addition of a significant number of resources. Although these are only tentative suggestions, they have been developed after five years of observation and analysis of the criminal court system in Cook County and elsewhere. During the period of this study it has become very apparent that the greatest impediments to change in the system are the vested interest which criminal court participants have in the present structure and their power to resist external interference. Nothing less than a fundamental restructuring of the power and interest structure within criminal courts will bring about a criminal justice system approximating the ideal embodied in Anglo-American notions of due process.



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## LOCAL ROADS AND BRIDGES IN ILLINOIS: PROBLEMS AND ALTERNATIVES

Norman Walzer

In recent years the deteriorating condition of local roads and bridges, pointed up by bridge failures causing deaths and many injuries, has become a concern in Illinois and many other states. Serious as this problem is, it should be viewed in a broader context, one raising fundamental questions of public finance and political organization. In particular, the viability of small governmental units such as townships is being questioned. Can they raise adequate revenues and administer the services under their control effectively?

The local road and bridge problem was addressed in a study of 186 townships in ten western Illinois counties undertaken during 1975-76.<sup>1</sup> The study region is depicted in Figure 1. In this article, issues deriving from the basic question raised above are examined in light of information gained during the course of the project, particularly from personal interviews with local road commissioners. The advantages and disadvantages of several approaches to solving the problem are then examined.

### Method of Financing

A major dimension of local road and bridge conditions is the method of financing services. Of special concern is that with recent increases in the prices of construction materials, revenues available for providing services have lagged behind required expenditure levels. To complicate the problem, like many local governments, townships in Illinois in general have not made effective use of improved management practices that might allow existing resources to be used more efficiently.

In light of the scarcity of revenues available for making capital improvements, especially in road districts where structures have been allowed to deteriorate, commissioners are now faced with hard decisions regarding the most effective method for delivering needed services. (In Illinois, road districts are technically distinct from townships, with the road district commissioner responsible for

preparing the budget and maintaining the roads. However, the budget must be approved by the township board.)

Existing road district budgeting systems make use of a number of funds, including a road and bridge fund, a bridge improvement fund, and a gravel fund. Partitioning the levies into these components makes it difficult to compute the unit cost of providing alternative types of roads and bridges.

Local real estate taxes provide a major source of revenue used for the road and bridge fund. In 1974, property taxes represented 41.7 percent of the total revenue. Recently, legislation was enacted altering the method of assessing farmland. Exactly how this will affect the revenue available to local governments is not yet known. However, the rationale for the legislation was to hold down property taxes on farmland or at least make them consistent with the use of the land for agricultural purposes. In this light, one might well expect that changing the assessment procedures will have the effect of either raising tax rates or reducing levies.

Road districts also receive operating funds through a state revenue-sharing program based on motor fuel taxes (MFT). MFT funds are raised through a tax on each gallon of gasoline sold. Because the tax is levied on a per gallon basis rather than as a percentage of sales, recent increases in gasoline prices have not meant additional revenue. In fact, measures to save energy through reducing consumption may decrease revenues further. Because of the nature of rural road traffic, however, a corresponding decrease in road usage would not be expected.

A final issue concerns the management capability of local governments as small as road districts. Since in Illinois townships road district budgets must be approved by the township board of trustees, the level of funding ultimately rests with the board. This means that in cases in which the board does not rely heavily on the judgment of the road commissioner, a significant part of the management function has been transferred to the board. A commissioner faced with such a board probably is inclined to concentrate on keeping as many roads and bridges operational as he can and to postpone large capital projects such as bridge replacements.

### Facets of the Problem

Virtually all local public officials have difficulty in measuring the quality of services they provide. Since they cannot determine the desired level of service through the market

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<sup>1</sup> See Barbara W. Solomon and Norman Walzer, *Rural Roads in Illinois Township Administration and Finance* (Urbana: Institute of Government and Public Affairs and Illinois Agricultural Experiment Station, 1977). The project was funded through the agricultural experiment station under Title V of the Rural Development Act of 1972.

process, they turn to standards suggested by outside experts. Road and bridge conditions can be rated by engineering standards, and by comparing the deficiencies against these standards, road commissioners can select the projects that should be undertaken. However, it is not always possible to undertake a required project, in recent years inflation has been ravaging road district budgets. At the same time, larger, heavier farm machinery has been placing greater strain on both roads and bridges. To complicate matters, the movement of urban residents into the countryside has increased traffic and raised the expected level of service.

The ten-county, 186-township area in western Illinois was studied to determine both the extent of the road and bridge problem and the practices followed by local road commissioners in providing services. Information provided by the Illinois Department of Transportation showed that during the early 1970s more than 60 percent of the rated roads in the study region had barely adequate, poor, or very poor surface conditions. Only one-third of the bridges have been rated in western Illinois, but of these less than half are above minimum tolerable limits. More than one-quarter do not meet minimum standards. Wide variation in road and bridge conditions was evident among the districts; as will be discussed below, conditions depend on both the resources of the road district and how it is administered by the commissioner.

The road and bridge issue is highlighted by the inadequacy of many local bridges to accommodate school buses. One estimate is that, statewide, more than half of these bridges are capable of bearing less than nine tons—the weight of a loaded school bus. Incidents in which a bus has to stop at a bridge, discharge students, and then reload on the other side are being related with increasing frequency. Another inadequacy of many local bridges is their narrow width, preventing modern farm machinery from crossing even when a bridge is structurally sound. A short-term solution adopted for some bridges has been to remove the side rails, allowing the machinery to overhang the sides. Slow-moving farm machinery can pass with reasonable safety, but automobiles and other vehicles moving at higher speeds are exposed to greater risks, especially in poor weather conditions.

Perhaps the severity of road and bridge conditions can be best understood in terms of the cost of upgrading. Estimates in 1975 by county highway superintendents in western Illinois indicated that bringing roads to adequate

(though less than desirable) standards would cost an average of \$27,100 per mile. The cost of upgrading roads on a per capita basis was \$731. The estimated cost of bringing bridges in western Illinois to standards considered adequate by the county highway superintendents was \$43,700 per unit, with a total cost of \$47 million. These estimates assume that 5 percent of the bridges could be closed without imposing serious hardship and that 15 percent would not need repair.

Without doubt, resources from outside the road districts will be required if a substantial repair and replacement program is to occur within the reasonable future. The costs cited above are based on conservative estimates; if desired standards were sought, they would be much greater. Although rural residents are entitled to access to adequate basic services such as emergency medical treatment, educational facilities, and fire protection, roads with low traffic volumes may simply be too expensive to maintain at high standards.

Another dimension is the current "return to the countryside" trend, with residents employed in urban areas opting for small acreages in the close hinterland. With this rise in the number of commuters, increased demands are placed on rural roads. Often, however, tax rates and revenues do not rise proportionately with the value of the land in its new use. Interviews with local commissioners suggest that the former urban residents expect better roads than do those who have grown up in the rural areas. The newcomers create pressures on road commissioners for road maintenance expenditures on the roads where they live.

#### Management Practices

Judging from detailed interviews conducted with thirty road district commissioners in the western Illinois study region, management practices vary considerably. The overall impression from the interviews is that the commissioners are dedicated public servants who work within fairly tight financial constraints but who are very concerned about providing roads in the best condition possible, given the resources available. Many expressed dismay at the impact of recent price increases on future road maintenance costs.

The average road commissioner in the study area has very little formal training in financial and administrative practices. His knowledge about road construction has been gained primarily from his experience on the job. Some commissioners worked for the previous commissioner and "inherited" the position by running for election when the incumbent retired. In many cases, commissioners face town boards reluctant to increase tax levies even though road budgets are being squeezed by the rising prices of construction materials.

Most of the road commissioners are full time (70 percent), but more than half the total (62 percent) have additional employment. On the average, the commissioners in the study area had slightly more than eleven years experience, were fifty-three years old, and had attended but not completed high school. The average full-time road commissioner received an annual salary of \$7,581 in 1975. Less than one-third (30 percent) indicated that they employ part-time help.

Because of differences in demand for road use, road district management practices vary by size of district and by region within the state. As of 1975, the townships in western Illinois were slightly below the state average in

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minimally passable. Certainly closing roads or bridges is not a popular option politically since it is difficult to find a rural road on which no one resides or that someone does not find useful as a shortcut. To reduce the number of roads on a rational basis, traffic volumes would have to be examined and roads with extremely low volumes would become candidates for closing. Presumably, some landowners would suffer a capital loss due to reduced access, and they might have to be compensated. If a roadway is convenient (but not essential) for access to farmland, farmers might be given the opportunity to assume its upkeep as a private road.

If this option were chosen, however, a transportation network plan would have to be devised to provide access by emergency vehicles. In addition, consideration must be given to maintaining reasonably efficient access, with rural roads connecting major highways given priority. Without question reducing the number of roads or bridges will not be easy, but given the present situation the possibility at least should be raised.

#### IMPROVED MANAGEMENT PRACTICES

The commissioners interviewed in western Illinois generally expressed frustration in discussing their financial needs with the town boards. Most felt a need for a greater awareness by the board concerning road conditions and expenditures required to remedy deficiencies.

The management practices discussed above show a relatively simple operating framework: based on his personal knowledge of the roads, the commissioner develops a work program and carries it out until funds have been depleted. Motor fuel tax monies pass through the county highway superintendent's office, and the superintendent coordinates both the purchases and work programs of the commissioners in his county. In western Illinois, cooperation between the county and the townships appears to be fairly common. In the opinion of the township commissioners interviewed, cooperation with the county superintendent is very beneficial both because lower prices for materials can be obtained when larger volumes are purchased and also because infrequently used machinery can be shared among townships.

Herein may lie a major cost-saving improvement for townships statewide, one that could be introduced without significant changes in the existing framework. Periodically there is a movement for consolidation of townships on grounds of efficiency. The reply from road commissioners is that districts of approximately fifty miles of road are appropriate for an essentially one-person operation. If the districts were consolidated, the less frequently travelled roads in more remote sections of the district would not receive adequate attention. According to those opposing consolidation, because some road district tasks (such as snow removal) are labor intensive during critical times, the quality of services would decrease if district size were increased.

Perhaps the greatest potential for cost saving lies in additional cooperative use of large machinery already owned by the districts. The price of motor graders, bulldozers, and large trucks has increased to the point that commissioners are almost unable to replace existing equipment. Several of those interviewed indicated that they were purchasing used equipment whenever possible. Although the maintenance cost is higher, the initial outlay is less. If consolidation of road district operations is not a viable option for political or other reasons, then certainly

a greater sharing of equipment by townships is feasible. Bulk purchasing of supplies and materials also can lower costs.

This discussion is not intended to dismiss the possible benefits of consolidating small contiguous road districts, especially if a number of roads and bridges could be eliminated. The objective might be to achieve a size that could be administered by a full-time commissioner and a full-time assistant without purchasing new equipment. If this policy were adopted, the quality of less travelled roads might be reduced. Given tight budgets, however, it does not seem unreasonable to intentionally maintain roads with low traffic volumes at lower quality than more frequently used roads. The important consideration is that there be an adequate number of well-maintained roads with year-round surfaces so that an efficient transportation system is provided and emergency vehicles can operate without major delays.

Such a program would require long-range planning by both road district commissioners and county superintendents. In fact, achieving an efficient transportation network may require planning at a regional level—for example, a multicounty area. The significant consideration is that without alternative funding arrangements, many road districts may be at a critical point: either the number of roads and bridges must be decreased or the quality at which they can be maintained will deteriorate.

#### TIGHTER CONTROLS ON USAGE

Most commissioners interviewed felt that heavy machinery, trucks, and loaded school buses cause serious road damage, especially during spring thaws. At present, weight limits are posted by the commissioner, but enforcement is virtually nonexistent. Under this situation, a road can be damaged severely because of a few trips at the wrong time. Given the limited resources for maintaining township roads, commissioners felt that they needed additional powers enabling them to close roads to traffic as needed or to limit their use by heavy vehicles such as loaded school buses. The exact procedure for enforcing limited access would have to be established, although one measure could be to close certain roads to all but local residents for short periods.

Controlled road usage could do much to lower costs and to provide better facilities for the general public. Money saved by this approach could be used to rebuild the roads that are troublesome each year. Presumably, over time the number of roads that could be kept open all year would increase.

#### General Observations

The problem of local transportation networks is multifaceted and difficult to summarize. Some view it as an example of government units being too small to provide necessary services efficiently. This view has fostered attempts to consolidate townships smaller than a certain population or assessed valuation. Others point to townships as one of the few arenas where citizens have direct input into how their tax dollars are spent. As might be expected, this latter view is held by many local officials who look upon consolidation as leading to "big government" unresponsive to citizens' wishes. Aside from the ideological dispute, the road and bridge problem is serious and demands immediate attention. While poor-quality roads can be travelled at slower speeds and at possibly higher vehicle-operating costs, deteriorated bridges do not allow this option.

construction to understand the extent of funding needed to maintain them adequately. One commissioner indicated that his proposed budget had been reduced repeatedly; road maintenance had suffered to the extent that several large agricultural producers revealed a willingness to pay higher real estate taxes to finance road improvements. This problem is significant given that recently the maximum allowable tax rate (with referendum) has been increased. Although the taxing power exists, a timid town board might be reluctant to take advantage of it.

The practices followed by commissioners, particularly those with tight budgets, can be characterized as a form of crisis management. Rather than developing a long-term program of road construction and maintenance, commissioners are prone to solving immediate problems such as repairing an impassable road or a seriously defective bridge. After the urgent problems are remedied there is little if any money left for a long-term road-upgrading program.

Because of the financial exigencies, in some instances the local commissioners have turned to makeshift repairs such as using a discarded railroad tank car with the ends removed to replace a culvert. In some townships, bridges are renovated by using parts from abandoned structures. While programs of this type reduce costs, they have inherent dangers and are not necessarily the most effective long-term solution. For example, the replacement parts used to renovate bridges may have been seriously weakened over time from previous use.

The situation is so serious in some districts that bridges have been closed. While it may be desirable to have fewer bridges, a long-range plan for traffic flow should be adopted to assure an efficient road system in rural areas. Based on such a plan, certain roads and bridges could be closed if necessary. However, closing a bridge selected only because of its deterioration from past usage does not seem to be an efficient approach.

### Possible Solutions

Few obvious and simple solutions exist to the road and bridge problems described above. However, several kinds of approaches are possible, some by road districts directly and some by other levels of government.

### ADDITIONAL REVENUE

An obvious solution to the road and bridge problem is to raise additional funds. At issue, however, is the source of these funds. The main revenue source, the property tax, has long been criticized as being inequitable and not as responsive to economic growth as are other revenue sources such as income and sales taxes. Moreover, in the case of local roads and bridges, the taxpayers most likely to receive benefits are those residing on the farms. Therefore a tax on agricultural production or some other base might be more acceptable than the property tax. Because rural roads are used extensively in farming operations, the tax used to provide the transportation system ideally should be incorporated into the cost of producing agricultural output and passed on to consumers.

In 1976, town boards in Illinois were empowered by the state legislature to levy the property tax for road and bridge purposes at .66 percent (sixty-six cents per dollar of assessed valuation) with referendum; the previous rate was .33 percent. Thus additional taxing power at the local level exists if the town board is able and willing to com-

municate its needs to the electorate. Certainly any reasonable solution to the problem will require that this revenue source be used to the fullest extent possible.

The state's interest in an adequate rural transportation network stems both from the need to provide roads for residents and, given the importance of agriculture to the Illinois economy, to transport farm produce. At present, the state provides assistance for the maintenance of local roads and bridges through motor fuel tax reimbursements to local governments. A road district's share of these funds is based on road mileage within the district and is reimbursed to the districts through the county superintendent of highways. Strict standards are in effect governing both the uses of MFT funds and the standards that roads must meet in order to qualify. The rationale behind this tax is that the more gasoline purchased the more driving and maintenance there is to be done on roads.

The present MFT is 7.5 cents per gallon of gasoline sold, with exemptions for nonroad users, which means that farmers usually qualify for refunds. The interesting situation is that wide, heavy farm equipment is one of the main causes of the local road and bridge dilemma. Certainly one could argue that farmers should be given rebates to the extent that the tax is used to finance major highways, but the argument is less effective in the case of local roads. This is not to deny that a relatively small portion of the total gasoline used by agricultural producers is for road traffic. Perhaps more attention should be paid, however, to including the cost of maintaining local roads within the cost of raising food.

One way to raise additional MFT revenue would be to tie this tax to the price of gasoline rather than to the quantity sold. Assuming constant use, gasoline price increases would generate additional revenue. Moreover, by increasing the price of gasoline, higher taxes might assist in conservation. With the rising costs of constructing and maintaining roads, the justification for a tax based on the number of gallons sold independent of the price per gallon is unclear.

Two recent changes in Illinois law should ameliorate the road and bridge problem. First, taxing limits for building and maintaining road surfaces have been increased, allowing town boards to raise additional revenue if voters can be convinced of the need. Second, beginning July 1, 1977, the state began distributing money from a \$15 million fund to townships that are levying at their maximum rates without referendum. While this amount may be small compared with the estimated needs, it does represent a beginning.

Finally, the bridge problem may be severe enough that federal funds are needed. Although since 1970 a federal bridge inspection program has been in effect and funding has been provided for bridges on secondary highways, these monies have not been available for the majority of locally maintained roads. However, federal revenue-sharing funds provided to townships can be, and have been, used for road maintenance purposes. Bridges are primarily one-time expenditures with minimal annual maintenance. If special bridge reconstruction funds were made available, presumably most districts could provide normal maintenance.

### REDUCING THE NUMBER OF ROADS

Another approach to the problem is to eliminate unnecessary roads and bridges; this method may be implemented inadvertently as bridges collapse and roads become

road mileage and number of bridges to be maintained. The average road district in the state included 51.2 miles of roads and thirteen bridges, while in western Illinois the average was 48.9 miles and eleven bridges. A closer examination reveals that more of the western Illinois districts contained earth and gravel roads than did districts statewide, correspondingly, fewer districts reported paved and bituminous roads. Thus, minor deviations in western Illinois commissioners' practices and procedures would be expected from those followed statewide. Over half the road commissioners in the study area (57 percent) reported that at least 40 percent of the bridges in their districts needed repair. The comparable figure statewide was 63 percent.

Because the commissioner is an area resident and a frequent traveler in his district, he has firsthand knowledge of local road conditions. Although the commissioners indicated that they make fairly regular patrols of district roads, little formal monitoring of conditions was evident. Several of those interviewed admitted that their work programs were determined at least in part by complaints of residents about the condition of the road on which they live.

One of the most surprising findings is the informal nature of identifying work to be undertaken in the upcoming year. Selection of which roads and bridges are to be repaired or reconstructed is not based on an analysis of the least cost to bring structures to a satisfactory condition. Further discussions with county highway superintendents in the region reinforced the notion of the absence of a sophisticated procedure for choosing among road maintenance projects. Presumably, at some point it becomes cheaper to rebuild a road than to patch with gravel. When commissioners were asked about the cost of maintaining specific road sections, most exhibited little detailed knowledge about unit costs.

A tendency was noted among several commissioners to follow a work program of upgrading several miles of roads each year with a bituminous surface. With continuing price increases of bituminous-related materials, continuation of this program may be in jeopardy. In wealthier districts bituminous surfaces may be feasible and desirable. Unfortunately, the wealthier districts may not be the same as those in which the costs of construction and maintenance are the greatest. In determining the type of surface and the quality at which a road can be maintained, accurate cost information is necessary. More detailed record-keeping practices and analyses of amounts spent on individual road sections could be useful in obtaining greater returns for the funds available.

The overriding concern many commissioners raised in discussions was that inadequate funds are available to provide the road quality they consider desirable. Several reasons may account for this concern. First, in some instances the condition at which the commissioner sought to maintain roads simply may have been beyond the resources of his district. Also, very little attention was being given to objective standards in the road maintenance program; rather, the selection of work was based on the commissioner's knowledge of and preferences for road conditions.

The bridge situation was handled somewhat differently. Many of the bridges had been rated, and in selecting projects this objective assessment of their condition was considered. The commissioners had a much clearer picture of the need for improvements of bridges than roads. Bridge safety is perceived as critical because a failure can result

in injury or loss of life. However, those commissioners with serious bridge problems (not all districts had major deficiencies) appeared to be frustrated due to a lack of funds.

In addition to the possibility that unrealistic quality standards have been set, a number of commissioners felt that the town board was unwilling to raise taxes to provide the funds needed for road maintenance. This view was expressed most frequently in districts where the road commissioner's budget was routinely reduced by the town board. Certainly in some cases the problem stems from the board's lack of responsiveness to the objectives and financial needs expressed by the commissioner. Wide variation was found in western Illinois. In some road districts the commissioner's proposed budget is accepted almost automatically. In these districts the transportation facilities appeared to be more than adequate, and the road commissioners were optimistic about their jobs.

Other commissioners complained that the board tended to respond to voters' pressure to keep tax levies low. The feeling expressed by these commissioners was that the town board was not knowledgeable enough about road

**Figure 1**  
**TEN-COUNTY WESTERN ILLINOIS STUDY AREA**



Given the critical condition of bridges and the great cost in rehabilitating them, a long-term bridge replacement program is needed, at least for essential routes in rural areas. There is little question but that a feasible solution to the local road and bridge problem is going to require a combination of actions by governments at

different levels. Certainly townships must use their taxing powers to the fullest extent as well as examine carefully the need for the number of roads and bridges they are trying to maintain. Beyond this, an effective solution, especially to the bridge problem, may very well require assistance from higher levels of government.



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## ILLINOIS MUNICIPALITIES: WHERE HAVE ALL THE VOTERS GONE?

Oliver Walter and Albert Karnig

Politicians often lament the declining importance of local government in the United States. They point to an ever-growing, more inclusive federal government as evidence of the passing of government at the grass-roots level. But judging by statistics from the last twenty years, Illinois municipalities, at least, can hardly be considered dead or even slightly ill. Thanks to the home rule provisions of the new constitution and to increased revenue from sources such as the state income tax and the federal revenue-sharing programs, city governments are more active than ever before. Since 1957, municipal expenditures per capita have increased nearly 300 percent, the number of city employees has increased approximately 40 percent, and municipal taxes have increased from about \$40 per capita to nearly \$139 per capita.

Despite the fact that Illinois municipalities are both taxing and spending at previously unsurpassed rates, there is evidence to suggest that the voters living in these cities are not particularly concerned about which specific politicians direct their local governments. Using Illinois cities with populations greater than 25,000 in the 1970 census as a base, we found that the average voter turnout in the 1975 municipal elections was only 27 percent of those eighteen years and older. Furthermore, judging by data from 1935 and 1961, there has been a rather precipitous decline in electoral participation. Table 1 presents the statistics for the three decades.

Table 1

### VOTER TURNOUT IN ILLINOIS MUNICIPALITIES OVER 25,000 IN POPULATION IN 1935, 1961, and 1975

	1935	1961	1975
Percent turnout of those of voting age	59	42	27
N =	(31)	(28)	(55)
Percent turnout of those registered to vote	74	57	37
N =	(19)	(21)	(55)

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Data for all three decades were collected either by or for the editors of the *Municipal Year Book*, and descriptions of the national studies can be found in this annual publication.<sup>1</sup> Table 1 lists the turnout averages for all reporting cities. In 1975, fifty-five of the fifty-eight cities in Illinois over 25,000 returned questionnaires on municipal voting rates and twenty-eight of the forty-one in 1961 did so. The *Year Book* included cities with populations over 10,000 in 1930; these cities were included for the 1935 figures if they had reached 25,000 by 1970.<sup>2</sup> Two averages are given. The first is the percent of those eighteen and over (twenty-one and over for the two earlier periods) who voted in city elections for mayor, council, and/or commissioners. The second average is the percentage of those registered to vote who in fact did vote. In the remainder of the paper we will be referring to the former percentage.

One of the problems of comparing these initial averages to contemporary figures is that they have been computed using different bases. As stated, the 1975 figures are for fifty-five cities, those in 1961 for twenty-eight cities, and for 1935, thirty-one cities. To overcome this difficulty only those cities for which we had figures for two time periods were compared. Thus, for the 1935 and 1961 elections, eighteen cities could be directly compared. For the 1935 and 1975 elections, we had data for thirty-one cities, and for the 1961 and 1975 elections turnout rates were available for twenty-six municipalities. The averages using either base — all cities or only the comparable cities — are very nearly identical, and for this reason only averages computed using all cities for which we have returns are presented in Table 1.

<sup>1</sup> "Governmental Data on the 960 Cities over 10,000 Population," *The Municipal Year Book*, 1936 (Chicago, 1936), 165-88. Eugene Lee, "City Elections A Statistical Profile," *The Municipal Year Book*, 1963 (Chicago, 1963), 74-84. Albert Karnig and Oliver Walter, "Municipal Elections Registration, Incumbent Success, and Voter Participation," *The Municipal Year Book*, 1977 (Washington, D.C., 1977), 65-74.

<sup>2</sup> Thirteen of the thirty-one cities for which we have data were under 25,000 population in 1930. Turnout did not correlate significantly with size and therefore we felt their inclusion was justified.

Table 2

## PERCENT OF VOTER TURNOUT IN MUNICIPALITIES

	United States*	Non-South	Illinois**	Chicago†
1935	42 (309)	49 (254)	59 (31)	56
1961	35 (414)	40 (281)	42 (28)	52
1975	30 (618)	32 (324)	27 (55)	42

\* Average excludes Illinois

\*\* Illinois average includes thirteen cities under 25,000 population in 1935

† Chicago figures are averages for the particular decade

The figures in parentheses represent the number of municipalities included

than a high school degree went to the polls. If anything, this tendency is more pronounced in local elections. Yet, although the median education level in Illinois has risen from under eight years in the 1930s to more than twelve years, voting in local elections has fallen. This means quite simply that while the educated may vote more often than the less well educated, both groups are voting less often than in previous years.

Adding to the puzzling drop in the percentage of voters is the fact that legally it is easier to vote in the 1970s than it was either in the 1930s or 1960s. The most profound change has come in the reduction of residency requirements. Even in the 1960s, the law required that an individual be a resident of the state for at least a year prior to registration. Today, one need only be a resident for thirty days before voting registration is allowed. Further, precinct registration is more common than in previous years and provisions for absentee voting have been liberalized somewhat. But obviously ease of registration does not guarantee that citizens will go to the polls.

## Some Reasons for Declining Interest

Several reasons for the decline in urban voting participation between the 1930s and the 1970s appear plausible. Some, such as governmental structure and the development of suburbs, are of local origin and local concern. Others, such as general apathy, a shift in spending patterns, changes in the mass media, constitutional amendments, and federal laws increasing the number of persons eligible to vote have occurred at the national level and cannot be controlled at the local level. At the same time, it is interesting to note that the first type occurred primarily in the earlier period between 1930 and 1950, while the second occurred mainly since 1960.

## FORMAL GOVERNMENTAL STRUCTURE

Cities with partisan elections and the mayor-council form of government have substantially higher turnout rates than do those with nonpartisan elections and the city manager form of government. These relationships

## ILLINOIS GOVERNMENT RESEARCH

Institute of Government and Public Affairs

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shown that television has replaced newspapers as the basic source of information about politics. For instance, in the University of Michigan's biennial national survey, two-thirds of the 1976 sample said they relied most on television for news about politics and current events. Less than one-fifth said they relied most on newspapers.

The impact of television has been twofold. First, although both newspapers and television provide entertainment for their readers and viewers, entertainment nearly excludes all else on television. Even national news shows are seldom if ever in prime time, and on local news shows, municipal politics only infrequently receives the attention given to the weather or the tribulations of some child's pet. Exacerbating the problems is that television is very frequently not specific to the community. For instance, the amount of coverage given by the Chicago stations to political matters in Harvey or Oak Park is minuscule. This means that most individuals rely for political information on a medium which is nearly devoid of information concerning the operation of local government. Second, television has had a nationalizing influence. Of course, both newspapers and television give primary play to happenings at the national level, but whereas newspapers may carry stories of local politics on the second and third page, television news seldom goes beyond the first page. Politically relevant news on national television, then, tends to be of a national variety.

Interestingly, television, while helping to nationalize the political focus of the American people, certainly contributed to the increased cynicism and alienation shown in the public opinion polls cited earlier. The Vietnam War and Watergate scandal were vividly presented on national television and doubtless had a strong impact on political thinking.

Finally, it should be noted that the ratification of the 24th and 26th amendments to the United States Constitution and the passage of the 1965 and 1975 Voting Rights Acts had the effect of increasing the number of persons eligible to vote. Although the greatest impact of these measures was in the South (i.e., the anti-poll tax amendment, the abolition of the literacy test, and provisions of the Voting Rights Acts calling for federal registrars), the adoption of the 26th amendment which enfranchised those from eighteen to twenty years of age had an impact on Illinois. Young adults are not as apt to register to vote and, once registered, they are not as likely to actually go to the polls on election day. The reasons underlying the poor turnout among the young — failure to meet registration deadlines, weak political party identification, and so forth — need not concern us here. But it is worthy of mention that enlarging the electorate to eighteen-year-olds has had an unfavorable influence on the percent of eligible citizens who vote in elections. For instance, data from the Univer-

sity of Michigan's national election survey show that the turnout rate for those over twenty-one was almost 40 percentage points higher than for those under twenty-one. The young may be the most idealistic about and committed to various issues of public policy. Regrettably, they are also the least prone to cast ballots in public elections.

Though the eighteen-year-old vote may have been one of the reasons for a general decline in voter turnout, it should not be overemphasized. The eighteen- through twenty-year-old group is a small minority of the total electorate, and even if they had not been eligible to vote in 1976, voting turnout would only have increased by about 1 percent.

In sum, we suggest that the decline in voter participation has come in two waves. Between 1930 and 1950 there was a significant shift away from a perceived dependence on the federal government. In part, this was due to changes in relative spending patterns at the two levels of government. At the same time, developments in the mass media shifted the American citizen's interest away from the local news in his local newspaper to national events on nationwide television. The second wave in declining voter participation came in the 1960s with the national increase in political apathy and distrust, much of it due, no doubt, to Vietnam and Watergate. Further changes in national law brought into the potential electorate persons who were not likely to vote. If we are correct, the reason that only one in three potential voters cares to participate has little to do with the performance of urban governments. Forces beyond municipal government changed the political environment and made the decline inevitable.

The following *Illinois Government Research* newsletters are still in print and are available from the Institute of Government and Public Affairs.

- No. 1 "Legislative Hearings on County Problems," January 1959
- No. 2 "Legislative Study of Urban Affairs," April 1959
- No. 3 "Lake Michigan Water Diversion," June 1959
- No. 4 "The 1958 County Elections," September 1959
- No. 5 "First Manager, First Month: An Illinois City's Experience," November 1959
- No. 7 "The Employment Systems of the State of Illinois," May 1960
- No. 9 "The 1960 County Primaries," January 1961
- No. 10 "The Illinois Congressional Representatives and Agricultural Legislation, 1954-59," June 1961
- No. 11 "Administrative Reorganization in Chicago," September 1961

Table 4

**PERCENT OF ILLINOIS VOTER TURNOUT  
FOR SELECTED PRESIDENTIAL, CONGRESSIONAL,  
AND MUNICIPAL ELECTIONS**

	Mid-* 1930s	Early* 1960s	Decline from mid-1930s to early 1960s	Mid-* 1970	Decline from mid-1960s to mid-1970
Presidential	82	77	5	64	13
Congressional	60	59	1	40	19
Municipal	59	42	17	27	15

\* Specific dates for presidential elections were 1936, 1960, 1970, for congressional elections, 1934, 1962, 1974, for municipal elections, 1935, 1961, 1975

Table 5

**RESPONSES TO QUESTIONS CONCERNING  
CONFIDENCE IN GOVERNMENT\***

	Percentage agreeing with statement	
	1964	1975
Government is for the benefit of a few	30	67
You cannot trust the govern- ment to do the right thing	22	66
There are a lot of crooks in government	30	57

\* Percentages are based on nationwide surveys conducted by the University of Michigan Inter-University Consortium for Political Research

increasingly disgusted with and alienated from governments and politicians. Public opinion polls have amply demonstrated this change in attitude. Table 5 presents responses of a national sample to statements designed to measure confidence in government.<sup>3</sup> Seldom are changes of this order of magnitude found in public opinion. In one decade those showing a lack of confidence in government have increased their numbers from a rather small minority to a rather substantial majority. Research suggests that evaluations of the political system are associated with low levels of participation.<sup>4</sup> It seems fair to assume, then, that the recent decline in municipal voting has little to do with the actions of city government. Unfortunately, we do not have public opinion data for the 1930s, and therefore a totally adequate explanation may never be possible.

#### GENERALIZED DISGUST AND POLITICAL APATHY

Generalized disgust, however, cannot wholly account

<sup>3</sup> Figures were taken from Norman Nie, Sidney Verba, and John Petrocik, *The Changing American Voter* (Cambridge, Mass.: Harvard University Press, 1976), p. 278. It might be argued that Illinois is different from the remainder of the nation but the evidence would seem to support the conclusion that Illinois is very similar to the United States as a whole. See James Przybylski, "As Goes Illinois—The State as a Political Microcosm of the Nation," *Illinois Government Research*, no. 43, August 1976.

<sup>4</sup> Lester Milbrath and M. L. Goel, *Political Participation* (Chicago: Rand McNally, 1977), p. 64.

Table 6

**LOCAL AND FEDERAL GOVERNMENTAL  
EXPENDITURES, 1932-70**

	1922	1932	1940	1950	1960	1970	1975
Local	4,567*	6,375	7,685	17,041	39,056	92,522	162,320
Federal	3,289	4,659	9,055	39,544	92,223	196,589	340,732
Ratio of local to federal expenditure	1.39	1.37	.84	.43	.42	.47	.48

\* Figures are millions of dollars spent

for the decreased voter turnout at the municipal level. A further reason may be found in governmental spending patterns. Between the 1930s and the 1950s, there was a virtual revolution in the relationship between local government and the federal government. Table 6 reveals the changes that took place. In 1922 and 1932 the ratio of local to federal expenditures was 1.39 and 1.37. By 1940, the ratio had dropped to .84, and in 1950 it had fallen to .43. Since 1950, the ratio has remained virtually stable although local governments have been slowly increasing their share of governmental spending. The reversal in ratios came about, of course, because the federal government became much more deeply involved in the social welfare needs of the American people and because the United States assumed a position as the dominant world power. Although local governments may have been just as active as in prior years, the federal government had become the dominant actor. By the 1960s the urban voter may have simply perceived voting in local elections as relatively less important than in earlier years. The national government had taken center stage and it was natural that more attention would be focused upon it to the detriment of lower levels of government.

#### ROLE OF THE MASS MEDIA

However, the shift in emphasis might not have occurred even in the face of changing spending patterns if it had not been for a coincident change in the mass media. In the early 1930s, newspapers had no formal competitor, and more often than not newspapers were specific to the community. Since the 1930s, the number of newspapers, particularly weekly papers, has decreased. Regional newspapers such as the *Chicago Tribune*, the *Chicago Sun-Times*, and the *St. Louis Post-Dispatch* have become relatively more important, and by their very nature regional newspapers do not concentrate on the local politics of other than the core city.

More important, though, has been the growth of television.<sup>5</sup> Public opinion surveys have consistently

<sup>5</sup> It would be difficult to argue that radio has filled the gap. In the University of Michigan studies less than 1 in 20 persons said that radio was their most important source of political information.

remain even when other characteristics such as region and socioeconomic status are controlled. In the 1975 survey, the national average turnout for nonpartisan cities was 29 percent and for the partisan cities 37 percent. The manager cities had an average of 26 percent, the commission cities 33 percent, and the mayoral cities 39 percent. The commonly accepted explanation for these differences is that reform characteristics (nonpartisan elections and the manager form of government) tend to reduce political competition by at least making it more difficult for political parties to compete and by reducing the sphere of politics through the introduction of a professional manager. Regardless of the explanation's substance, voting turnout does vary with the characteristics.

In Illinois a substantial number of cities have adopted reform characteristics since the 1930s. Sixty-five percent had the mayoral form in 1935, while today less than 40 percent use this method of city government. There has also been a 16 percent decline in the number of commission cities. In 1935 only one of the municipalities studied here had a city manager. Today, fourteen of the thirty-one for which we have comparable data have adopted the manager plan. The number of cities with partisan elections has also decreased from 39 to 19 percent.

If structural changes have led to a diminution of voter turnout, we would expect to find that the relationships between structure and turnout discussed above were valid in the 1930s, and, moreover, ought to be present in the current decade. Table 3 shows that the presence or absence of national party designations on the municipal ballot was not and is not related to voter turnout in Illinois. Of course, political parties can be active in nonpartisan cities and inactive in partisan. Unfortunately, we have no way of determining the extent of party activity during the 1930s, and therefore all we can conclude is that formal designation is of no discernible import as

**Table 3**  
**VOTING TURNOUT BY GOVERNMENTAL  
AND ELECTORAL CHARACTERISTICS, 1935-75**

	1935 percent	Matched percent* 1975	All cities 1975
<i>Government Form</i>			
Mayor-Council	56	30	26
Manager-Council	40	24	26
Commission	61	41	41
<i>Election Type</i>			
Partisan	59	31	24
Nonpartisan	58	29	28
N =	(31)	(31)	(55)

\* Only cities for which we have data in both time periods are included in this column

far as turnout is concerned and the increasing number of nonpartisan cities is not a likely cause of decreased turnout.

Nor do we find strong evidence that the increased number of manager cities is related to the fall in voting averages. Because only one city used a manager in 1935, it is impossible to determine the impact of this characteristic during the 1930s. For the 1970s, Table 3 reveals that in the matched cities those with managers do have the lowest turnout; but the difference is not large, and if all fifty-five cities are included there is no difference between manager and mayoral cities. Interestingly, the commission cities had the highest turnout in both periods. Although only five cities switched from the commission to another type of city government, the change may have contributed, at least in part, to the overall decrease in participation rates.

#### SUBURBANIZATION

The tremendous growth of suburban cities during the past forty years may be another explanation for declining voter participation. Because a large percentage of a suburban city's population leaves the city during the work day, citizens may not be as concerned with local government policy as if they both lived and worked in the municipality. Further, suburbs are frequently very homogeneous and social and economic homogeneity are not particularly conducive to political conflict. If increased suburbanization were responsible for the decline in voting participation, one would certainly expect suburban cities to have lower participation rates than the non-suburban. But, since suburbs have turnout rates very similar to nonsuburbs, it is not possible to attribute the decline to this suburbanization process.

The decline in municipal electoral participation may, of course, have little relationship to any characteristic or policy of city government but may be part of a more general trend in voting averages. If the belief is widespread that voting is unimportant, one should find a decline in participation at all levels of government. To test this hypothesis, presidential and off-year congressional election turnout figures are presented for the years roughly analogous to the municipal elections cited in this paper (see Table 4). The table reveals that between the 1930s and 1960s there was a sharp drop in municipal turnout, while there was only a slight drop for the presidential and congressional elections. However, between the early 1960s and the middle 1970s, the decline for all three types of elections was fairly great and highly similar — 13, 19, and 15 percent. Thus, in the latter period municipal participation rates seem to be following a national pattern, a trend which is not present in the earlier period.

#### REFLECTIONS

One plausible explanation for the recent generalized decline in voter participation is that Americans are

No. 12 "Tenure and Turnover in Illinois City Managers," October 1961

No. 14 "Some Budgetary Aspects of the Illinois Fiscal Crisis," August 1962

No. 17 "Political Representation and Interstate Urban Agencies," June 1963

No. 18 "Legislative Power Blocs," October 1963

No. 19 "Illinois Votes 1960-62," March 1964

No. 20 "Illinois Assembly on Political Representation," June 1964

No. 21 "Illinois Congressional Delegation," August 1964

No. 22 "Estimated Burden of State and Local Taxes in Illinois," October 1964

No. 23 "The Politics of Selection: Township Supervisors in Two Illinois Counties," March 1965

No. 24 "Illinois Party Platforms: An Analysis," October 1966

No. 25 "Effects of Budgeting by Local Governments in Illinois," January 1967

No. 26 "The 1966 County Primaries," March 1967

No. 27 "Constitutional Amendments and the Voter, 1952-66," July 1967

No. 28 "The Education of Illinois State Officials," September 1967

No. 29 "Local Government Indebtedness," November 1967

No. 30 "The 1966 County Elections," April 1968

No. 31 "Public Attitudes on the Kerner Commission Findings: The Case of Illinois," March 1969

No. 32 "Twentieth Century Voting Patterns for President in Illinois," January 1970

No. 33 "The Model Cities Program in East St. Louis, Illinois: The Planning Experience," July 1970

No. 34 "Analysis of the Vote at the Election for the 1970 Illinois Constitution," February 1971

No. 35 "Intergovernmental Revenues and Illinois State Finance, 1965-72," July 1972

No. 36 "Federal Funds and Illinois State Finance, 1958-72," February 1973

No. 37 "Federal Grants and Local Governments in Illinois, 1965-71," September 1973

No. 38 "The Department of Local Government Affairs, 1968-72," January 1975

No. 39 "The Smaller Metropolitan Areas of Illinois Revisited," April 1975

No. 40 "Home Rule Use by Illinois Municipalities: The First Three Years," June 1975

No. 41 "Illinois Energy Problems: A National Perspective," December 1975

No. 42 "Illinois and the United States: Some Economic Parallels," March 1976

No. 43 "As Goes Illinois . . . The State as a Political Microcosm of the Nation," August 1976

No. 44 "Variations in Expenditure Levels by Illinois Local Governments, 1942-72," May 1977

No. 45 "Case Load Pressure and Felony Trial Courts: Cook County," September 1977

No. 46 "Local Roads and Bridges in Illinois: Problems and Alternatives," January 1978



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## TEAM POLICING AND POLICE SERVICES: AN EXPERIMENT THAT WORKS

Peter F. Nardulli

Since the turn of the century, when reformers first began to critically examine police departments, which were relatively new municipal agencies, reform agendas have revolved around the organizational structure of departments and the recruitment of personnel. In recent years this narrow focus has shifted to a concern with how available police resources are used. There has also been increasing interest in empirically examining the effects of different deployment strategies. Earlier reformers were much more concerned with implementing their ideas than with evaluating the impact of those ideas. The reasons for this shift are undoubtedly many and complex.

One important reason, however, seems to be the realization that earlier reform programs simply did not have the intended impact. Since the 1950s, especially in urban areas, there have been marked changes in police departments throughout the United States. Many long-standing reforms have been implemented, at least to a degree. Yet, during this same period, when the costs of policing have increased dramatically, crime has skyrocketed, police-community relations have reached crisis proportions in many ghetto communities, and police graft still persists in many cities.

A second, more general reason lies in the current drift of American politics. Gone is the sixties' mentality that more is better. It has been replaced with a skepticism about the ability of government to do much about many social problems. Political leaders in the 1970s have been slow to initiate any new far-ranging social programs or dramatically increase existing ones. While this has led some bureaucrats to simply retrench, others have responded by rethinking traditional practices, trying out new and innovative approaches, and attempting to determine "what works."

Buoyed by this movement, and supported by funds from the federal Law Enforcement Assistance Administration, police departments throughout the country have examined and experimented with various deployment strategies. One of the most innovative and potentially useful strategies has been labeled *team policing*. According to a recent Urban Institute report, over sixty cities have experimented with different versions of this program. Champaign, Illinois, is one such city. Since May of 1977 it has

utilized a team unit in what is termed the Northend, a racially mixed, largely working class community. The unit was supported by the city of Champaign and the Illinois Law Enforcement Commission. This report is an analysis of the effect of this program upon a number of different indicators of police performance: citizen evaluations of police services, attitudes toward the police, fear of crime, clearance rates, and crime rates.

Before turning to the design, results, and meaning of this study, however, a few words need to be said about team policing as a deployment strategy.

## TEAM POLICING DEFINED

The notion of team policing, in its most elementary form, is not new. Fundamentally it is a reversion to the way police have been deployed in England and small American towns and cities for decades. The models of team policing currently being suggested are somewhat different, however, from these earlier forms. Moreover, there are many operational variants of this strategy. Nonetheless, it is possible to outline some of the basic attributes of team policing, as well as the expected benefits of such programs.

## Basic Attributes

There are at least two ways in which team units differ from traditional patrol units. One includes organizational characteristics, the other concerns their approach to crime deterrence.

Among unique organizational characteristics of team policing one could include such things as geographic exclusivity, a community-service orientation, decentralization of authority and functions, and enhanced roles for patrolmen. Thus, team units — composed of stable groups of officers — are expected to be fully responsible for providing all police services, usually on a twenty-four-hour basis, to a given geographic area. This includes the performance of most routine investigative tasks, traditionally performed by a centralized detective division. The only exceptions are emergencies and instances for which highly skilled expertise is required.

Through the community-service orientation, team units attempt to reduce police isolation in urban neighborhoods; it is an extension of the old "cop on the beat" concept. Team members are normally equipped with mobile radios and are expected to do a certain amount of foot patrolling. The idea behind this focus is to initiate positive contacts with citizens, to enable officers to become familiar with their beat and its residents, and to permit community members to know and relate to their police officers. It

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is hoped that such an orientation will reduce citizen hostility, engender positive cooperation, and facilitate the work of the police.

Along with the added responsibilities given team units, the individuals comprising each unit are generally given greater authority than in normal patrol units. Such decentralization of authority is thought to be a crucial tool in making the police more sensitive and responsive to local community needs. It is also expected to result in better utilization of individual officers, since the team supervisor is expected to become more familiar with the strengths and weaknesses of each officer in the course of identifying problems and developing programs to solve them.

A final organizational characteristic of team policing is the enhanced role of individual officers. Besides normal patrol functions, team officers are expected to take on some investigative tasks and participate in team planning and decision making. In addition, they are often trained in crisis intervention and are expected to take part in various phases of an overall community relations program. Such responsibilities are in stark contrast to the narrower functions traditionally vested in patrol officers. They are expected to result in more well-rounded and professionally fulfilled officers who are able to respond more effectively in a wide variety of situations.

Traditional police thinking about crime deterrence can be traced back at least to noted police authorities such as William Parker and O. W. Wilson who contended that the police should focus on reducing the opportunities for crime rather than on the motives for crime. This required a two-tailed strategy: educate the public in the fundamentals of crime prevention ("harden" the targets of crime) and enhance police presence. Of these two strategies, the latter received, by far, the most emphasis. The pat police response to increases in crime was always a cry for an increased number of police and added latitude to take a more aggressive, proactive orientation. It was an article of faith that such enhanced police presence would increase the probabilities of a criminal being apprehended, thus increasing the costs of criminal activity. This, in turn, would lead to reductions in crime.

The crime deterrence philosophy inherent in team policing is also based upon the notion of increasing the costs of committing crimes and hardening the objects

of crime through education in crime prevention. The real theoretical difference between the traditional and the team approach lies in how team units attempt to increase apprehension probabilities in order to increase the costs of crime. Instead of an increased police presence, the team strategy relies upon increased availability and utilization of information, a tactic strongly recommended by a recent Rand Corporation study of the criminal investigation process.

Increased information is expected to come from two sources. First, long-term assignments to designated geographic areas should lead to greater territorial familiarization by officers. They should be more familiar with trouble spots as well as troublemakers. They should also be in a better position to know what is normal and what is not in different settings. This will allow them to make more efficient use of their time and other resources. Secondly, the team strategy's emphasis upon knowing, relating to, and maintaining positive contacts with community members is expected to increase the flow of information from the community. This is considered invaluable because community members have access to much information not accessible to police officers and not forthcoming where hostile relations exist.

More effective use of available information is expected in a team program for a number of reasons. First, the linkage of the investigative and patrol function in the team unit is expected to mitigate interunit competition and jealousies, resulting in a freer exchange of information and insights among individual officers. Secondly, the decentralization of authority in the team is expected to permit greater flexibility in responding to informational insights, gained from whatever source. Finally, unlike the situation in traditional settings, where assignments are in planned flux and responsibility can be shifted across departmental units, the team is accountable for its own beat and is more likely, therefore, to make full use of all information that comes its way.

#### Expected Benefits

Because of its potential advantages over more traditional forms of police deployment, team policing has been warmly endorsed by such groups as the President's Commission on Law Enforcement and Administration of Justice and the National Advisory Commission. Benefits are expected to accrue to the community served, to members of the team, and to the sponsoring department.

From the community perspective, the service orientation of team policing, its emphasis upon positive and continued interactions with citizens, its ability to respond to local needs, and its focus upon officer fulfillment are all expected to improve the quality of services and make citizens feel more secure in their person and home. This in turn is expected to create a more positive image of the police and increase the flow of crime-related information to the police. The more positive image and increased information, in conjunction with the increased capacity of the police to deal with crime-related information, are expected to result in greater arrest probabilities and, ultimately, reduced crime rates.

The primary potential benefit of team policing for team members is increased job satisfaction. Wider discretion, increased responsibility, and more positive contacts with citizens are expected to result in more well-rounded officers who are more satisfied with their jobs. This is

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### Fear and Perceptions of Crime

While actual crime rates are important indicators of a police program's impact upon the crime problem, people's perceptions may be just as important. If, for example, crime is stable or decreasing but people perceive it to be increasing, it may well have many of the same adverse effects upon their lives as if crime were, in fact, increasing. They will curtail their social life, relate to strangers more cautiously, and invest in various, perhaps unnecessary, home or car modifications.

For this reason, two questions were asked to gauge the impact of the team unit on residents' perceptions of crime. The first dealt with whether the respondent felt crime had increased, decreased, or remained the same over the past twelve months. The second concerned how safe the respondent felt walking alone at night. Tables 3 and 4 report the breakdowns for these questions. Table 3 reveals the most distinct change. While the feelings of respondents in the control group are quite stable, a substantial proportion of those in the target area feel that crime has decreased since the introduction of the team program. Moreover, the change in the proportion who felt crime has decreased in the target area is significant beyond the .001 level. The changes are not as marked in Table 4, but further examination reveals that the proportion of people feeling unsafe (not safe at all or somewhat unsafe) increased in the control group, from .59 to .65. This change was statistically significant beyond the .05 level, but it was not registered among target-area residents. Thus it appears that the team unit has had a stabilizing effect in this area.

These two questions were broken down by the same four population subgroupings used earlier, but no consistent patterns emerged. Thus the observed changes were fairly widespread.

### Clearance Rates

In many regards the impact of the team program upon clearance rates (the proportion of cases "solved" by police) is one of the most, if not the single most, crucial aspect of this analysis. It is generally accepted today that, given limited resources, the most effective way the police can directly impact upon crime is by increasing the costs of committing crime (i.e., increasing the apprehension rate). Thus the impact of any deployment strategy upon clearance rates should be carefully assessed.

Table 5 shows that with regard to four of the five crimes, clearance rates in the experimental area went up while those in the control group went down (tests of statistical

**Table 3**  
**TREND OF NEIGHBORHOOD CRIME IN PAST YEAR**

	Experimental Group		Control Group	
	Before	After	Before	After
Increased	21.2%	19.3%	19.7%	22.2%
Decreased	13.2	21.7	5.5	7.9
Remained the same	65.6	59.0	74.7	69.8
	100% (378)	100% (487)	99% (487)	99% (378)

**Table 4**  
**HOW SAFE WALKING ALONE AT NIGHT**

	Experimental Group		Control Group	
	Before	After	Before	After
Not safe at all	42.9%	44.6%	19.8%	22.9%
Somewhat unsafe	13.5	13.8	15.0	17.9
Reasonably safe	31.9	32.2	38.3	39.7
Very safe	11.7	9.4	26.8	19.0
	100% (392)	100% (487)	99% (514)	100% (459)

significance are not reported because they are not wholly relevant for the data collected from police records). Thus, it seems safe to conclude that the program has had a positive impact upon clearance rates, especially with regard to vandalism and assault. This latter observation is important because, of the five crimes examined, victims or residents are most apt to have some firsthand knowledge of what occurred in a vandalism or an assault. The increase in the clearance rates suggests that some of this information may be more apt to be conveyed to the police as a result of the team program.

**Table 5**  
**CLEARANCE RATES FOR SELECTED CRIMES**

	Experimental Group		Control Group	
	Before	After	Before	After
Burglary — building	.09 (n = 53)	.16 (n = 101)	.13 (n = 385)	.07 (n = 542)
Burglary — motor vehicle	.06 (n = 48)	.05 (n = 61)	.05 (n = 384)	.06 (n = 324)
Assault	.74 (n = 154)	.92 (n = 99)	.71 (n = 471)	.67 (n = 291)
Vandalism	.05 (n = 38)	.45 (n = 66)	.14 (n = 473)	.13 (n = 587)
Theft	.38 (n = 105)	.36 (n = 81)	.32 (n = 780)	.26 (n = 1311)

### Crime Rates

To gauge the impact of the team program upon crime rates, both survey data on victimization and Uniform Crime Reports (UCR) were analyzed. The former included questions pertaining to the incidence of household burglary, vandalism, robbery, and assault in the six-month period before the survey. UCR data on several property crimes are collected by the police department and analyzed, geographically, by the state department of law enforcement. This provided comparable records data before and after the experiment began, inside and outside the experimental area, for five crimes: building burglary, vandalism, robbery, theft, and motor vehicle burglary.

These two sets of data have numerous shortcomings. They are not comparable across types, for example, different time periods. Also, the records data include commercial burglaries while the survey data come only from a sample of households. Nonetheless the various data can be compared with one another. Data on one crime from one source can be compared with the same data at a different point in time, from the same source. Moreover, since the two types of data have different

These positive findings raised a further point of inquiry. An analysis of the data collected in the preexperimental surveys revealed that mean scores on the service evaluation questions (SE 1 to SE 4) were significantly lower (beyond the .001 level) in the target area than in the control group. The postexperimental surveys, however, reveal that for SE 3 and SE 4 (the more general evaluative questions) there were no significant differences between the target group and the control group. Thus it is clear that one effect of the program has been to lead people who have traditionally felt discriminated against to begin to feel that they are getting equitable treatment.

There is also evidence to suggest that this impact is more than just perceptual. It has often been noted by students of urban police that, due to racial tensions and mistrust, members of minority groups are less apt to call the police for assistance than are whites. The presurveys showed this to be true for Champaign's Northend as well. The postsurveys show that this previous, statistically significant difference has disappeared as calls per household rose from .175 to 2.43. The latter figure of 2.43 is not significantly different from the 2.2 figure recorded in the control group. Moreover, further analyses showed that this increased tendency to call the police in the target area is wholly due to increased requests from black households.

In an effort to determine where the evaluative changes had taken place, the two target samples (pre and post) were broken down by different population subgroups: race, annual household income (below and above \$5,000), age (below and above forty-five), and whether or not the respondent had occasion to call the police during the six months prior to the survey. This analysis showed that changes have occurred largely (SE 4 being the lone exception) among whites, those above the poverty line, those forty-five or older, and those who had not had contact with the police. With only two exceptions, these results were not paralleled in the control group, where the few changes that did occur were sporadic.

#### Attitudes toward the Police

Nine different questions (A1 to A9) were asked to gauge respondents' attitudes toward the police:

- A1 — Champaign policemen have a tendency to accuse people of things they didn't do.
- A2 — In general, Champaign policemen are of below average intelligence.
- A3 — Generally, the Champaign police really try to help people who are in trouble.
- A4 — In general, Champaign policemen have a tendency to use force on people for no reason at all.
- A5 — Champaign policemen are brave.
- A6 — Champaign policemen generally don't give a person a chance to explain.
- A7 — In general, Champaign policemen are dedicated to their job.
- A8 — In general, Champaign policemen try to act like big shots.
- A9 — Generally, the Champaign police are trouble instead of help.

Again each was scored so that the most positive score was 5.

Table 2 shows the findings from this analysis; the pattern is quite similar to that reported in Table 1. In the Northend positive changes were reported for seven of

**Table 2**  
**MEAN ATTITUDINAL SCORES**

	Northeast Champaign (experimental group)	Champaign in General (control group)
Accuse — A1		
Before	3.3 (265)	3.8 (435)
After	3.5 (348)	3.8 (332)
Intelligent — A2		
Before	3.6 (282)	4.0 (440)
After	3.8*** (406)	3.9* (364)
Try to help — A3		
Before	3.8 (334)	4.0 (486)
After	3.9** (461)	4.1* (424)
Use force — A4		
Before	3.4 (268)	3.8 (427)
After	3.5 (382)	3.9 (327)
Are brave — A5		
Before	3.5 (285)	3.8 (416)
After	3.8*** (414)	3.7 (359)
No chance to explain — A6		
Before	3.2 (260)	3.7 (415)
After	3.5*** (353)	3.8* (334)
Dedicated — A7		
Before	3.7 (292)	3.9 (465)
After	3.9*** (426)	3.8* (370)
"Big Shots" — A8		
Before	3.4 (282)	3.7 (463)
After	3.7*** (390)	3.7 (393)
Are trouble — A9		
Before	3.7 (301)	4.1 (482)
After	3.9*** (446)	4.1 (438)

\* Significant at or beyond the .05 level.

\*\* Significant at or beyond the .01 level.

\*\*\* Significant at or beyond the .001 level.

the nine variables. Moreover, all but one of these changes were at or beyond the .001 level. Changes in the control group were null or weak and sporadic: two changes were positive, two were negative, and all were only at the .05 level.

In the analyses of the four service evaluation questions (SE 1 to SE 4) it was noted that the significant differences between mean service evaluation scores in the target area and the control group, which had been observed in the presurveys, had been eliminated in the postsurveys in two instances. Despite the changes reported in Table 2, the reductions in the differences between the means (across the target and control groups) were not as marked in the attitudinal area as in the service evaluation. The differentials were eliminated in only two of the nine variables (A2, A8). Despite these findings, the subgroup analyses revealed several interesting patterns. Perhaps the most remarkable finding here concerns race. In the target area virtually all of the significant changes occurred among blacks, only two significant changes occurred among whites. When categorized by age it can be seen that almost all of the changes came among those over forty-five. Unfortunately the patterns involving the "income" and "contact with police" categories were not as clearcut. Little can be said about them. In addition, it should be stressed that here again the changes observed in the experimental group were not paralleled in the control group.

expected to lead to more positive attitudes among team members and better service delivery. As for the department, closer contact between supervisors and patrol officers should lead to greater mutual understanding, better cooperation, and more efficient uses of available manpower. Decentralized planning and deployment are also expected to enhance police responsiveness to community needs, enabling them to make more efficient use of their resources. In short, service delivery should improve.

### TEAM POLICING IN CHAMPAIGN

The Champaign team-policing program, like the program of any operational unit, is a variant of the general model. While it is small (fourteen officers), it has all of the basic attributes of a team program. All team members are volunteers, they are equipped with mobile radios and special insignia, and they are encouraged to engage in foot patrolling. Before going into the field, they participated in an intensive training program focusing upon participative management, planning, goal setting and evaluation, human relations, follow-up investigations, selective crime enforcement, use of crime analysis information, crime prevention education, and physical security applications. The team unit held several community meetings during its early existence and conducted an active crime prevention campaign.

#### Evaluating the Program

There is almost always a difference between the expected and actual impact of social programs. This impact should always be evaluated empirically. What follows is a somewhat limited evaluation of Champaign's team-policing program. It is a condensed and modified version of a fuller evaluation performed for the Champaign Urban High Crime Program to comply with the Illinois Law Enforcement Commission's policy of examining the effectiveness of programs it supports. Because of limited resources the program's impact upon individual officers and internal departmental matters could not be gauged.

To examine the impact of the program upon the community, two types of police performance data were collected. One category included general measures of citizen satisfaction with the police — citizen evaluations of police services and attitudes toward the police. The

second category included crime-relevant measures of police performance, such as fear and perception of crime, clearance rates, and crime rates.

To collect the data two sets of surveys were conducted, and a significant amount of police records data was collected, employing a quasi-experimental design. The records data were crime-related information collected for selected periods before and after the team program's implementation. The surveys included both crime- and noncrime-relevant measures of police performance. The first set of two surveys was conducted in February 1976, four months before the program became operational. One survey was administered to a sample of approximately 500 people living in the "target area" (i.e., the Northend of Champaign), a second was administered to a sample of approximately 500 people living in Champaign outside the target area (the control group). Twenty months later a second set of surveys was conducted using the same instrument and the same sampling design.

#### Evaluating Police Services

Four main questions (SE 1 to SE 4) were asked to gauge respondents' evaluations of police services.

SE 1 — How would you rate the speed in responding to calls for assistance of the Champaign Police Department (excellent, good, fair, not very good, poor)?

SE 2 — How would you rate their courtesy (excellent, good, fair, not very good, poor)?

SE 3 — On the whole, would you say the service provided to you and your household by Champaign police is excellent, good, fair, not very good, poor?

SE 4 — Compared to Champaign as a whole, do you think police protection in your neighborhood is much better, about the same, worse, or much worse?

Each of these four questions was scored from 1 to 5, with 5 being a positive score.

Table 1 displays the mean service evaluation score for each of the four evaluative questions. The meaning of the data in this table is unequivocal. While citizen evaluations in the control group were relatively stable (one went marginally up, one went marginally down), those in the target area went up on each measure. Moreover, the positive changes were not just marginal, two were above the .001 level of probability and one was above the .01 level.

**Table 1**  
**MEAN SERVICE EVALUATION SCORES IN BASIC SAMPLES**

	Speed (SE 1)		Courtesy (SE 2)		Overall Evaluation (SE 3)		Comparative Evaluation (SE 4)	
	Before	After	Before	After	Before	After	Before	After
Northeast Champaign (experimental group)	3.5 (285)	3.7* (376)	3.6 (341)	3.9** (419)	3.6 (343)	3.8*** (439)	3.0 (336)	3.1** (433)
Champaign Outside of experimental area (control group)	4.0 (335)	3.9* (328)	3.9 (449)	4.0* (389)	4.0 (469)	3.9 (416)	3.2 (419)	3.2 (341)

\* Significant beyond the .05 level

\*\* Significant beyond the .01 level

\*\*\* Significant beyond the .001 level

**Table 6**  
**SURVEY VICTIMIZATION RATES  
FOR SELECTED CRIMES**

	Experimental Group		Control Group	
	Before	After	Before	After
Household burglaries (per 1,000 households)	77.8	87.6	93.5	92.8
Vandalisms (per 1,000 households)	143.5	189.2	244.3	198.7
Robberies (per 1,000 persons)	6.5	4.5	13.2	15.3
Batteries (per 1,000 persons)	3.4	7.7	9.6	5.0
	n = 411	n = 502	n = 524	n = 463

methodological strengths and weaknesses, any conclusion supported by both sources is strengthened.

The data as presented in Tables 6 and 7 suggest that only the crime of theft (reported in Table 7) changed significantly. It increased dramatically in the team area while remaining constant outside of it. Because this finding was in such stark contrast to the others, additional inquiries were made. Data on theft were examined for the next six-month period (January through June of 1978) to determine if the figure in Table 7 was a statistical artifact of the result of some displacement effects (a shift from one crime type to another as a result of the change in police practices) or a deficiency in the team program. This analysis revealed a sharp decline in theft rates during the subsequent period, from 44.0 to 17.8 thefts per 1,000 residents. The 17.8 figure is lower than the prefigure of 23.2, and an averaging of the two figures (44.0, 17.8) yields a rate (25.9) that is much more consistent with the other data reported in Tables 6 and 7. Thus, this analysis suggests that the theft figure reported in Table 7 is probably due to some historical or statistical quirk rather than any displacement effects or programmatic shortcomings.

#### CONCLUSION

Although only a partial evaluation has been conducted, clearly the experimental team-policing program in Champaign has had significant and positive effects upon most of the evaluative criteria used. Residents in the area served by the team-police unit registered marked improvements in their evaluations of police services and in their attitudes toward the police. This is important because, historically, there has been a good deal of conflict

**Table 7**  
**UCR RATES FOR SELECTED CRIMES**

	Experimental Group		Control Group	
	Before	After	Before	After
Building burglaries (per 1,000 households)	40.2	52.3	24.7	34.86
Vandalisms (per 1,000 households)	39.1	38.5	31.2	36.3
Robberies (per 1,000 persons)	3.4	1.53	7.0	5.8
Thefts (per 1,000 persons)	23.2	44.0	25.2	25.5
Vehicle burglaries (per 1,000 persons)	10.5	10.5	7.2	6.6

between the police and minorities, whether ethnic or racial. As implemented in Champaign, team policing seems to present a way to reduce such tensions. Many of the improvements, especially in the attitudinal variables, were registered among blacks. There is also abundant evidence to support the argument that the team unit is reducing the gap in service evaluations and attitudes between Northend residents and other Champaign residents.

One consequence of these improved relations seems to be that Northend residents, especially blacks, are calling the Champaign police for assistance more frequently. Improved relations seem also to have increased cooperation between the community and the police as exemplified by higher clearance rates, especially in the area of crimes such as vandalism and assaults. There is, however, no direct evidence on this point.

Perhaps the most disappointing finding in this analysis concerns the failure of the program to have an impact upon crime. It is all the more disconcerting in light of the changes in residents' perceptions of the crime problem and the higher clearance rates. It should be stressed, however, that these figures represent very early readings. Social scientists and criminologists know very little about the relationship between enhanced arrest probabilities and crime rates. It may be that there is a significant time lag between realities and perceptions. If so, higher clearance rates may well be reflected in future crime trends. If they are not — and this is reflective of more general phenomena — then criminal justice researchers and practitioners may well have to begin rethinking the role of police in the area of crime prevention.



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## SMALL TOWNS, BIG GRANTS: FEDERAL AID AND NONMETROPOLITAN LOCAL GOVERNMENTS IN ILLINOIS

Alvin D. Sokolow

Nonmetropolitan communities in Illinois and elsewhere in the past few years have become new or greatly expanded participants in federal grant programs — perhaps the single most important development in small town government and policymaking for many decades. Once seen as fiercely independent and hostile to the intervention of outside forces, rural and other small governments are becoming increasingly dependent on various forms of federal aid. If not always welcomed enthusiastically by local officials, this new dependence is at least accepted for the community benefits it brings.

The trend has been especially striking since 1972, when the "no strings" money of the General Revenue Sharing (GRS) program began to flow to virtually all counties, municipalities, and townships. Other grant and loan programs for small towns and rural communities have been established or enlarged since that time. Local governments in these places still make less use of federal aid than those in bigger and more urban communities. But their reliance on outside funds has increased dramatically in the 1970s, according to U.S. Census of Governments data. For Illinois cities and villages under 50,000 population as a group, the percentage of total general revenues derived from federal sources shot up from less than 2 percent in fiscal 1972 to almost 10 percent in 1977. The comparable trend for municipalities over 50,000 was more stable during this period, increasing only from 12 percent to 18 percent. While the 1960s may be remembered for their big city and metropolitan focus, the 1970s could very well be labeled as the decade of the small town.

The increasing reliance on federal aid raises some important questions about the performance of local governments in small communities. Certainly there are impacts on local policymaking and administration, but are they negative or beneficial? Does fiscal dependence on federal programs lead to the loss of community political autonomy, for example? Or are governmental operations directly improved and officials stimulated further to tackle their problems with local resources?

These are appropriate questions for Illinois. Despite its urban reputation, this state has a substantial nonmetropolitan population and numerous small municipalities and rural localities. About two million persons (18 percent of the state's population) live in the seventy-nine counties (as of 1970) located outside Standard Metropolitan Statistical Areas (SMSA), mostly within the borders

of more than 700 small cities and villages. These places have a new vitality and attractiveness today, marked by recent population increase or stabilization because of the reversal of many decades of rural to urban migration. Between 1970 and 1976 nonmetropolitan areas in Illinois experienced a 2 percent increase in population, largely due to net immigration, while the SMSAs actually lost population by almost 1 percent.

This report is a brief examination of the federal aid trend among nonmetropolitan communities in Illinois, particularly the grants that flow directly to small municipal governments. It is based on a field study of the recent experiences of ten cities and villages in east central Illinois. Initially, though, we review the statewide pattern of federal aid to nonmetropolitan jurisdictions.

### THE STATEWIDE PATTERN

No matter how rural or small, there are no incorporated cities or villages in Illinois today that do not receive one or more forms of federal aid. At minimum, each municipality receives GRS funds. The importance of this one program in bringing small jurisdictions into the federal grants system cannot be overstated. Enacted in 1972 as the keystone of the Nixon Administration's attempts to decentralize federal aid, GRS provides quarterly and almost unrestricted payments to virtually all general purpose local governments in the nation — municipalities, counties, and townships. Most rural municipalities and townships, as a result, received their first direct federal grants in 1972. And many shortly thereafter began to tap other federal sources, as a variety of new or enlarged programs were opened to small communities.

Table 1 lists the seven grant programs that now account for the bulk of federal aid to cities and villages in nonmetropolitan areas of Illinois. Both block grant and project grant programs are represented on the list. Block grants include GRS, CETA, and some community development programs; they distribute funds on an ongoing basis to eligible agencies according to set formulas. Local recipients in effect are "entitled" to particular payments, and their use is relatively unrestricted. In contrast, project grants generally involve competitive applications by local agencies for one-time spending on specific projects. Features of both types of programs are involved in the community development grants administered by HUD. While the great majority of such funds are distributed by formula to big entitlement cities and counties located primarily in metropolitan areas, small cities compete for "discretionary" grants.

Under the seven programs listed in Table 1 a total of about \$5.3 billion was distributed to Illinois municipalities and other local governments from 1971 through 1978. About 17 percent (\$925 million) of this amount went to units in nonmetropolitan areas. This was slightly less than the nonmetropolitan share of Illinois's population, about 18 percent.

The seven grant programs represent a relatively new nonmetropolitan direction for federal assistance to municipalities. Five of the programs were established within the past eight years, while the other two date from the 1960s but have been expanded in recent years. Two have eligibility requirements that specifically favor small governments—the Farmers Home Administration loans and grants to communities under 10,000 population and the "small cities" or discretionary part of the Community Development Block Grant (CDBG) program. The CDBG program clearly illustrates the new small town emphasis. In 1974 it replaced a series of categorical grants administered by HUD including urban renewal and model cities. Only twelve of the sixty-four nonmetropolitan municipalities funded by CDBG (both entitlement and discretionary grants) from 1975 through 1978 had participated in the earlier HUD programs, as compared to thirty-seven of fifty-four metropolitan cities.

It should be pointed out that Table 1 concentrates on the "big money" programs and does not tell the full story of federal assistance to small Illinois municipalities. Although involving relatively small amounts, other grant programs have had numerous nonmetropolitan recipients. They include grants for park acquisition and development, ambulance purchases, and local fire equipment and training.

In addition, police departments in many nonmetropolitan communities have received criminal justice grants (funded by the Department of Justice and administered by the Illinois Law Enforcement Commission and regional LECs) for equipment and training.

Despite their greatly increasing use of federal aid, cities and villages receive less than a majority of total grant funds that flow to nonmetropolitan communities. County governments are also major users of federal aid—more because of their traditional role in the delivery of state and federally mandated and supported services such as roads, welfare, health, and courts, than because of any recent aggressiveness in pursuing grants. School

districts also receive substantial federal funds. Other recipients include regional planning commissions, other regional agencies, and nonprofit agencies involved in social services. Township governments in Illinois have not joined the grantsmanship ranks to any appreciable extent, other than to receive automatically their GRS entitlements.

## TEN MUNICIPALITIES: THE FIELD STUDY

For a more intimate view of the federal grants process at the community level, field research was conducted in May and June of 1979 in ten small cities and villages. All of the municipalities are under 10,000 population, and all are located in nonmetropolitan and primarily agricultural counties in east central Illinois. Two criteria guided the selection of the sample from among the more than 140 incorporated municipalities in fifteen counties:

- The degree of participation since 1971 in the four major project or competitive programs—Farmers Home Administration, EDA, EPA, and CDBG discretionary grants. Based on the number of separate grants or loans received, five "high" and five "low" municipal recipients were selected<sup>1</sup>.
- Varied population size. Two communities each represent five separate population categories, ranging from under 1,000 population to 5,000-9,999 population as of 1975.

The sample thus consists of five pairs of municipalities in varying population categories, with each pair including one high and one low participant in major grant programs. Table 2 identifies the ten sample municipalities (pseudonyms are substituted for the actual names) according to their estimated 1975 populations, form of municipal government, and per capita measures of community wealth. The project grants received by the municipalities since 1971, including funds from federal sources other than the four major programs, are also listed. All of these cities and villages, of course, are GRS recipients, and in recent years all have had some experience with temporary employees placed by the CETA program. An effort was made to select two municipalities within each high-low pair with similar community characteristics in addition to population size. Each of the three smallest categories includes communities in the same county, while the four larger municipalities are all county seat towns. Some significant per capita wealth differences within pairs, however, could not be avoided.

By no means can these ten municipalities be regarded as a statistically representative sample for all of Illinois's 790 nonmetropolitan cities and villages. For one thing, most of these east central towns are relatively prosperous compared to the majority of nonmetropolitan communities throughout the state. Yet, the sample does contain a range of local situations, which permits a more revealing analysis of municipal grant experiences than would be possible with just data on statewide grant distributions.

<sup>1</sup> The selection of the high grant communities was initially based on the receipt of at least two grants from among the four project grant programs. Later, during the course of the field research, it was discovered that the original information was incomplete and that two of the low grant municipalities had actually received two grants apiece. The basic high-low distinction was still maintained, however, as these two low municipalities received fewer grants overall than the comparable high municipalities.

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Yet none of the four grantsmen in the ten community sample occupied such a position. They were

- In Clearwater, the half-time director of community development (CD) for the city who also served half-time as executive of the local chamber of commerce.
- The chief of the rural fire district in Summerville.
- Acorn's city clerk, and
- The mayor (village president) of Simplicity

The clerk and the mayor were elected municipal officials, while the fire chief and CD director were appointed. Of all these positions, that of the CD director most closely approximated in formal responsibilities the job of a full-time municipal executive. But his background was in business, and neither he nor any of the other identifiable grantsmen had any specific training or experience in professional city management or planning.

Only a few of these grantsmen actually sat down and wrote entirely all of the proposals their municipalities submitted to federal programs. Assistance for this task, including the necessary information gathering, came from outside agencies — a county planner in one instance and, more frequently, the engineering firms employed on local projects, the Illinois Department of Local Government Affairs, and a regional community college.

More than compensating for the absence of professional expertise was the time, energy, and interest the four grantsmen devoted to the job of pursuing federal aid for their communities. All were informed about changing federal programs or knew where to get such information, and they doggedly handled the numerous local actions required for grant applications and administration. In some respects they were probably more effective than either local professionals or outside consultants could have been. Three of the four were members of the local political establishment, long-time leaders with solid reputations who could readily sell others — particularly municipal councils — on the desirability of obtaining aid for specific projects.

Furthermore, they were able to move quickly to make use of sudden opportunities and to broker local resources to extend the benefits of federal aid. When EDA told the Summerville fire district that it was eligible for a public works grant for a new station but had only ten days to submit complete plans and specifications, the fire chief persuaded his board to hire an engineering firm to come up with the documents from scratch. Acorn's city clerk saw the leveraging potential when a local farmer died and left the community \$60,000 to purchase land for a park. He persuaded the executors of the estate to release the money for development of the park, put together a successful proposal for a LAWCON grant for land acquisition, and helped arrange for the volunteered labor and donations of various community groups to construct park facilities, including a swimming pool and ball diamond.

With the exception of the CD director in Clearwater, grantsmanship was not formally an aspect of the positions held by these officials. Rather it was a self-defined role, a long-term assignment the grantsmen themselves took on because they had a genuine interest in achieving community improvements, the necessary time, considerable drive and perseverance, and probably no little ego. As a member of a family who had been associated with the volunteer department for more than forty years, Summerville's fire chief was an empire builder who seized upon

the opportunity provided by grant funds to expand facilities, equipment, paid personnel, and skills of his department. In the little village of Simplicity, the \$25-a-month mayor came into office in 1965 with the intention of building a sewer system to replace the town's septic tanks. Starting before the clean water mandates of state and federal governments were widely applied, it took him thirteen years to accomplish this goal as he persevered through numerous grant delays, cost increases, and plan changes. The clerk of Acorn was a retired businessman who set out to pay back the community for a good life. He saw the clerk's position as extending beyond its formal record-keeping responsibilities; it was an opportunity to bring new resources to the town.

Few if any of the other fire chiefs, mayors, and clerks in the ten municipalities saw grantsmanship as an important or even justifiable part of their jobs. One clerk pointed out:

There are all kinds of grants available, and it takes somebody who knows something about this. I don't have the time in my office. I do work with the Department of Local Government Affairs and I think the city should utilize their services more. But I don't make the rules. I just administer them.

Why then does the grantsmanship role appear as attached to certain positions in only some of the communities in the sample? The field research did not dig deeply enough to offer a solid explanation. Possibly these were idiosyncratic happenings — the emergence of the right person at the right time. But several clues suggest that less random factors may have been at work. The interest and support of business leaders, especially the top officials of banks and savings and loan institutions, seemed to lie behind the activity of several of the grantsmen. Strong support by a town's economic dominants, however, cannot guarantee that one or another official in local government will voluntarily take on the role. Moreover, informal grantsmanship is vulnerable to political change. Nonetheless, while professionals in municipal government may be more able to provide long-term continuity in grantsmanship, in a small town the greater advantage seems to come to the local, volunteer grantsman backed by his position in the community.

#### Opposition and Conflict

One expected distinction between the high and low grant municipalities failed to materialize. Leaders in the low grant communities were not necessarily more opposed to the use of federal aid than those in the high grant cities and villages. In fact, not one of the persons interviewed in this study criticized the local acceptance of grants on philosophical grounds, despite the traditional small town dislike of federal spending and actions. In their hearts they may have been unhappy about the expansion of grant programs, but on pragmatic grounds they were only too willing to accept the aid. One official rationalized the acceptance in these terms:

My attitude and that of the planning commission is that there is a lot to do in this town. In principle I agree that federal grants are not good. If nobody in Chicago and Cook County wanted the HUD money this would be fine, and we could cut back federal taxes. But this city doesn't have a local tax base to support all the improvements that are needed. We may not like taking federal money in principle. But why send the money just to Lincoln and Springfield? We are paying for it with our own tax dollars.

**Table 2**  
**THE TEN COMMUNITY SAMPLE: FEDERAL AID EXPERIENCES IN 1971-78**

HIGH GRANT MUNICIPALITIES		LOW GRANT MUNICIPALITIES	
General Data	Project Grants	General Data	Project Grants
5-9,999 Population			
Clearwater — Delavan County (county seat) 7,500 population Commission \$230 p.c. sales tax \$5,053 p.c. income	CDBG — \$900,000 FmHA loan — \$2.5 million EPA — \$25,650 LAWCON — \$21,000 Ambulance	Portland — Esther County (county seat) 9,700 population Commission \$178 p.c. sales tax \$4,637 p.c. income	EPA — \$239,000
3-4,999 Population			
Summerville — Mansfield County (county seat) 4,200 population Commission \$183 p.c. sales tax \$4,519 p.c. income	EDA — \$200,000 (fire district) FmHA loan — \$1.15 million EPA — 2 projects \$1.7 million, \$66,000 Ambulance (fire district)	Stream City — Stream County (county seat) 4,800 population Commission \$253 p.c. sales tax \$4,240 p.c. income	EPA — \$30,000
2-2,999 Population			
Acorn — Daniel County 2,200 population Aldermanic \$237 p.c. sales tax \$4,614 p.c. income	EDA — \$186,000 FmHA loan — \$190,000 EPA — \$808,000 LAWCON — \$33,000 Ambulance	Arnold — Daniel County 2,100 population Village \$263 p.c. sales tax \$5,303 p.c. income	EPA — \$15,000 Ambulance
1-1,999 Population			
Nativity — Crossbow County 1,500 population Commission \$122 p.c. sales tax \$3,832 p.c. income	FmHA grant — \$50,000 EPA — 2 projects \$247,000, \$10,000 EDA — \$115,000 Ambulance	Grassland — Crossbow County 1,400 population Village \$258 p.c. sales tax \$4,012 p.c. income	EPA — \$447,000 EDA — \$142,000
Under 1,000 Population			
Simplicity — Stream County 600 population Village \$218 p.c. sales tax \$4,047 p.c. income	FmHA loan grant — \$877,000 EPA — \$800,000 Ambulance	Topton — St. Barnard County 600 population Village \$46 p.c. sales tax \$3,149 p.c. income	FmHA loan — \$138,000 EPA — \$5,025

Note: Community and county names are pseudonyms. For definition of high and low grant communities see footnote 1.

#### General Data Key

1975 estimated populations (approximate)  
Form of municipal government  
1976-77 per capita sales tax, revenues for municipality  
1974 per capita personal income for community

large fiscal reserve because of a municipally owned gas and electrical distribution system. Local officials thus were better able than those in other places to turn to local revenues for major projects. The village of Arnold paid for a \$500,000 improvement to its water system in 1978 by issuing bonds based on the revenues of the system.

Grantsmanship was further discouraged in these relatively wealthy communities because officials believed they would not be eligible for federal aid. The belief was probably valid, as the Farmers Home Administration, CDBG discretionary, and EDA programs generally favor communities that are unable to raise funds elsewhere or that have high indicators of poverty or unemployment.

Levels of wealth, however, did not uniformly distinguish between high and low grantsmanship and grant use among the municipalities in the sample. In the case of the largest and smallest population categories, the high grant municipality in each pair was actually the more prosperous in terms of sales tax revenues and personal income.

#### Project Grants Key

CDBG — Community Development Block Grant (HUD)  
FmHA — Farmers Home Administration loans or grants (USDA)  
EDA — Economic Development Administration  
EPA — Environmental Protection Agency  
LAWCON — Land and Water Conservation grant  
Ambulance — Ambulance Grant (DOT)

#### Political Leadership

Four of the high grant communities had a recognized grantsman — a person in government office who aggressively and willingly sought federal funds. No such persons occupied public positions in the low grant communities. This was the most critical difference between the two groups of municipalities.

Recognizing a community need that could be tackled with federal aid is only the first step; there is also the hard work involved in identifying the appropriate program, building local support, and applying for the grant. The grantsmanship process for small towns, many commentators have insisted, is a complex and frustrating one, what with extensive information gathering, paperwork, and time requirements. Nonmetropolitan local governments generally lack the expertise to compete with larger units for grants; the usual solution is to employ city managers, planners, or other full-time professionals or to rely completely on consultants, regional planning agencies, or other sources of outside expertise.

Two sets of questions guided the field research. One involved the grantsmanship process and the differences between high and low participants; the other concerned the local impacts on government and policymaking of increasing dependence on federal aid. Open-ended interviews — conversations, actually — were conducted with one to five knowledgeable persons in each community, including municipal clerks, mayors, council members, municipal attorneys, cooperative extension personnel, bankers, and other businessmen. Other interviews were held with grant administrators in state and federal agencies, staff members of the Illinois Department of Local Government Affairs, and regional agency executives. Information sources also included recent issues of newspapers published in most of the communities, municipal records, and federal and state agency files.

## VARIATIONS IN GRANTSMANSHIP

Different levels of grantsmanship generally distinguish between the high and low federal aid recipients in the ten community sample. Two sets of factors help to explain the variations. These may be characterized as "perceived need," on the one hand, and "political leadership," on the other.

### Perceived Need

Many cities and villages seek project grants to help deal with specific public needs. Typically these fall into one or a combination of three categories: (1) improving basic infrastructure such as sewers and water supply, (2) stimulating economic development, or (3) enhancing such public amenities as parks and recreation facilities. In an objec-

tive sense, all communities have such public needs. The difference however is in the intensity with which the need at a particular time is perceived by public officials, and what they decide — or don't decide — to do about it.

Perceived needs are stimulated in various ways, some unrelated to local government officials and residents. A crisis, such as a water shortage, quickly draws attention; wells in two of the municipalities went dry in recent years, and the communities qualified for expedited loans and grants from Farmers Home Administration. A more common instance of externally imposed needs involves the water quality standards established by the state EPA which forced most municipalities in the sample to seek federal and state funds from the same agency. In most cases, however, aggressive grantsmanship was the result of locally inspired views of desired projects. Sometimes these views were helped along by seeing what a federal grant had bought a nearby community, such as a new water tower or an attractive community building.

Two variables that influence local perceptions of need are the timing of public projects and relative community wealth. In at least three of the municipalities with low records of grant use and grantsmanship — Stream City, Arnold, and Grassland — officials from 1971 to 1978 believed that their communities were in good shape governmentally and economically. Two of these communities had just completed major infrastructure improvements, thus eliminating some of the potential for grantsmanship at the time federal programs were beginning to focus on nonmetropolitan jurisdictions.

All three of these low grant municipalities were also financially well off, as compared to the high grant cities and villages. Sales tax revenues were relatively high, and municipal debt was low. Grassland had accumulated a

**Table 1**  
**FEDERAL AID AND NONMETROPOLITAN LOCAL GOVERNMENTS IN ILLINOIS, FY 1971-78**

Program and Federal Agency	First Funding Year	Eligible Recipients	Total to Illinois Localities (millions)	NONMETROPOLITAN DISTRIBUTION		
				Amount (millions)	-% of Total	Number of Local Recipients (municipalities)
<b>BLOCK GRANT PROGRAMS</b>						
General Revenue Sharing Treasury	1972	Municipalities, counties, townships	\$ 1,640	\$ 273	16.8%	1,924 (790)
CETA Public <sup>1</sup> Service Employees, Labor	1975	Local governments and nonprofit agencies	584*	96	16.4	NA
CD Block Grant — Entitlements, HUD	1975	Large cities and urban counties	457	22	5.1	7 (7)
<b>MAJOR PROJECT GRANT PROGRAMS</b>						
Public Facilities Loans and Grants, Farmers Home Administration, USDA	1965	Municipalities, special districts, and nonprofits on small communities	188	158	84.0	302 (155)
Public Works Grants and Loans, EDA	1966	Local governments	176	37	20.8	110 (71)
Wastewater Facility <sup>1,2</sup> Construction Grants, EDA	1972	Municipalities and special districts	2,265	298	13.1	495 (455)
CD Grants — Discretionary, HUD	1975	Small municipalities and counties	60	41	68.0	71 (62)
<i>Totals</i>			\$ 5,370	\$ 925	17.2%	

Note: Figures on amounts distributed are based on published reports or computer printouts issued by federal or state agencies administering the separate programs.

\* Indicates estimated amount.

<sup>1</sup> Grant programs administered by state agencies: Governor's Manpower Commission for CETA grants and Illinois EPA for EPA grants.

<sup>2</sup> EPA grants include both federal and state (Water Pollution Bond Issue of 1970) funds.

By the same token, few significant controversies were generated directly by any of the grantsmanship activities in the ten communities studied. There were conflicts associated with some of the projects to be funded with the grants but these did not directly concern the municipal decision to apply for aid. Wastewater treatment projects funded by EPA grants for example often were controversial because of the complex and lengthy series of local actions required between initial application and construction. A common problem was the required 25 percent local share of funds. In one community an initial bond issue failed and in another higher utility rates were turned down. The proposed site of the treatment lagoons in one town was opposed by residents of the neighborhood. In still another community council members disputed the validity of pledges made by merchants to match a federal grant for downtown improvements.

As in small towns everywhere, there was frequent griping about the paperwork requirements and shifting criteria of federal programs. These difficulties were mentioned most often by officials in the low grant communities. From the viewpoint of the four grantsmen in the sample however, the difficulties were more annoyances than serious obstacles. Two of these officials indicated:

Sure there is a ponderous amount of paperwork. But we are getting damn well paid for the paperwork we're getting the grant money.

You go to other cities and they say there is too much red tape. I am glad they feel this way because it means much more money for the rest of us. There are lots of headaches with these programs, but they work. After we get one grant, we go after the next one.

One possible explanation for the minimal opposition to federal aid programs recorded in this research is the initial grant experiences of most of the small municipalities with their GRS checks. Because of its simple procedures and minimal requirements, GRS caused few problems for local officials and may have helped soften local hostility to federal programs in general.

## SOME IMPACTS

If grantsmanship did not cause much controversy in these communities, the effects of federal aid did not go unnoticed. Most of the public improvements so funded were highly visible and appreciated. They included new or improved wastewater treatment facilities, enlarged water systems, repaved streets, parks, and municipal buildings.

Other effects of federal aid are more long-term and not as easily observed. At least some limited changes in local government organization and procedures were noted in several of the high grant communities. The city of Clearwater, for example, as a direct result of its CDBG grant and the work of its grantsman CD director began to reorganize its planning and building code functions. Ac-

ounting and budgeting procedures were changed in several of the small municipalities which had received Farmers Home Administration loans because of the need to repay the loans. Elsewhere intergovernmental cooperation between separate municipalities was enhanced. In one case two towns jointly obtained an ambulance grant. A more common example was the receipt of multi-jurisdictional grants for police and fire training and communications equipment.

Such management and administrative changes are hardly startling developments. A far more profound impact would involve the loss of political autonomy, or the capacity to handle local problems with local resources, as small communities become increasingly dependent on the funds provided by federal programs. This did not appear to be the case in the five high grant communities, where federal aid in some cases actually stimulated the use of local resources. Acorn's example in combining a grant with local funds and donated labor to construct a new park was notable. Similar public-private combinations were reported in other communities, including Clearwater where the costs of administering the CDBG grant were reduced because planning commission members volunteered to supervise housing rehabilitation efforts. Summerville, Acorn, Arnold, and Nativity all had non-profit community foundations or development corporations that worked on local projects in conjunction with — or independently of — federal grants. Two of the municipalities that went into the ambulance business with the assistance of grants subsequently began to levy tax rates to support and expand the service. The record shows that local initiative in these few communities was actually enhanced by the use of federal aid.

## CONCLUSION

For nonmetropolitan municipalities in Illinois, federal grant programs are becoming the dominant funding source for major public improvements. The small cities and villages, however, do not share equally in the new federal largesse, as this study suggests. Much of the aid is still in the form of categorical or project grants, despite the appearance of GRS and other block grant programs, and aggressive grantsmanship is still a necessary step to obtaining the big dollars. Grantsmanship in the small Illinois municipality is very much a variable circumstance, more dependent on the personality and initiative of individual officeholders than on definite and continuous municipal policy. As a result, community need — objectively defined — may have little bearing on the relative amounts of federal aid sought and received by different cities and villages. This is an issue of equity and the design of federal grant programs that goes far beyond the confines of this limited study.



# ILLINOIS GOVERNMENT RESEARCH

## INSTITUTE OF GOVERNMENT AND PUBLIC AFFAIRS

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### BLOCK GRANTS AND FEDERAL BUCKS: FEDERAL COMMUNITY DEVELOPMENT AID IN ILLINOIS CITIES

Housing and Community Development

Passage of the 1974 Housing and Community Development Act presaged a minor revolution in intergovernmental relations for the cities of Illinois. Under the new Community Development Block Grant program, Title I of the act many Illinois communities received their first substantial federal assistance for urban development and revitalization while other cities saw massive increases in their federal aid receipts. The 1974 housing and community development legislation also heralded a new era of reduced federal red tape and involvement with an increased scope of local choice and decision making. The Community Development Block Grant program is now in its fifth year, following one major legislative revision in 1977, and communities have accumulated a large stock of benefits and experience under this new federal arrangement. This study, based on an analysis of some fifteen medium and large size cities in Illinois, documents the development and impact of the community development program, and the response of Illinois cities to this effort.

The beginnings of a block grant approach to community development can be traced to President Richard Nixon's efforts to replace 129 separate categorical grant programs with six programs of "special revenue-sharing." The original proposal for urban development would have combined funding for urban renewal, Model Cities, housing rehabilitation, and neighborhood facilities into a single annual grant with only limited restrictions and federal review.

The special revenue-sharing arrangement sought to reach three general goals. First, the program would eliminate so-called grantsmanship at the city level, whereby some communities receive high levels of federal aid simply because of their ability to file applications and please federal bureaucrats. Urban development assistance would be linked to local need defined in a consistent and objective manner. Federal aid would also be provided in regular, annual installments so that cities could be certain about funding local programs. Second, the new program would be characterized by reduced federal review and oversight. The Nixon administration proposal eliminated all applications and merely subjected spending to post-audit review. Finally, local choice was to be maximized with all decisions on spending priorities and development strategies made by city hall. The general goals of the Nixon administration were shared by many national and local political leaders. The

actual mechanisms for accomplishing them led to a great deal of disagreement.

**THE GOALS OF THE PROGRAM**

The first goal, a guarantee of federal financial assistance, involved the dual questions of who was to receive regular, annual aid and how much aid each jurisdiction would be granted. The 1974 act eventually created two parallel, yet distinct programs: an entitlement program and a discretionary grant program. Under the entitlement program, regular assistance is provided for the central cities in metropolitan areas with populations of 50,000 or more. Federal entitlement aid is provided to "urban counties" where the county population exceeded 200,000 and the county government is legally authorized to perform community development functions in its unincorporated areas. New units of local government may enter the program when new metropolitan areas are declared or when their population exceeds 50,000.

Cities which do not meet the population and metropolitan requirements for the entitlement program are able to compete for funds under the companion, discretionary program. While the program regulations and application requirements are the same for both programs, localities in the discretionary program are required to compete for federal aid on an annual basis without the assurance of support provided for entitlement jurisdictions.

The issue of funding was perhaps the most difficult for the Congress and the Nixon administration to deal with. Some legislators favored an immediate shift to funding based on an objective needs formula. Others endorsed a "grandfather clause" called hold-harmless which based assistance on a community's previous level of federal aid.<sup>1</sup> Both groups differed on the components and measurements of funds distribution. The final law called for a complex merging of hold-harmless funding with a formula-determined amount based on city population size, number of poor persons, and number of overcrowded housing units.<sup>2</sup> Where the previous level of funding exceeded the formula amount, localities received three years of funding at the earlier levels. For the next three years their assistance was to be reduced by thirds so

<sup>1</sup> The "hold-harmless" amount is based on a city's average annual funding for fiscal years 1968 through 1972 in the following federal grant programs: urban renewal, neighborhood development program, section 312 rehabilitation loans open space, water and sewer, public facilities, neighborhood facilities, and Model Cities.

<sup>2</sup> In the calculation for funding under the 1974 formula, the measures are weighted as follows: population - 25, housing overcrowding - 25, poverty - 5

that by 1980 their federal aid would be based exclusively on the formula. Table 1 illustrates the impact that this "phase down" would have had on the funding for Bloomington, Illinois. From close to \$22 million in aid during the early years of the program, Bloomington's funding was programmed to drop to only \$555,000. Where the hold-harmless level was less than the formula amount, cities were to receive increasing levels of aid for the first three years, and full assistance based on the needs formula for the following three years. Thus in Joliet, again as shown in Table 1, with a hold-harmless sum of \$149,000, funding gradually increased from \$295,000 in fiscal 1975 to the full formula level of \$1,069,000 in 1977.

**Table 1**

**ANNUAL COMMUNITY DEVELOPMENT FUNDING —  
ESTIMATED AND ACTUAL — ILLINOIS EXAMPLES  
(in thousands)**

City	1975	1976	1977	1978	1979	1980
Funding Decrease						
Bloomington						
(1974 estimate)	\$2,169	\$2,169	\$2,169	\$1,630	\$1,093	\$ 555
(Actual)	2,169	2,169	2,169	1,665	1,223	866
Funding Increase						
Joliet						
(1974 estimate)	304	720	1,098	1,116	1,116	1,116
(Actual)	295	656	1,069	1,222	1,251	1,528
Stable Funding						
Peoria						
(1974 estimate)	2,115	2,115	2,115	2,047	1,979	1,911
(Actual)	2,115	2,115	2,115	2,145	2,190	2,444

#### The 1977 Revisions

Despite the general endorsement of formula-based assistance by cities, Congress, and the Nixon and Ford administrations, the gradual elimination of hold-harmless funding threatened a number of communities (particularly in the Northeast and Midwest) with substantial decreases in aid. Their cause was a major focus of congressional debate in 1977, and the result was a major revision in the formula for distributing federal community development dollars. Cities now have their need determined by two different formulas with the dollar amount of aid determined by the larger value. In addition to the 1974 formula

based on population, poverty, and housing overcrowding, an alternative formula was devised which includes indices of housing age, poverty, and population growth lag.<sup>3</sup> The general result was a substantial increase in aid to older declining localities, including many in Illinois.

The community development program currently provides for aid on an annual entitlement basis to twenty-five Illinois cities. Four communities have regularly elected not to participate in the program: Berwyn, Cicero, Oak Lawn, and Des Plaines. Two cities entered the program after its inception. Kankakee's participation began in 1976 when that community was declared part of a metropolitan area. Mount Prospect initiated its program in 1978 when its population was judged to have passed the 50,000 level.

The entitlement process also benefits five Illinois urban counties (Cook, DuPage, Lake, Madison, and St. Clair). In many cases these counties "pass through" federal assistance to smaller cities and villages within their boundaries while undertaking only limited projects themselves. Finally, some cities which do not qualify for entitlement aid but which had previously participated in federal programs receive a modest (and declining) level of community development support. Such locales as Carbondale, Danville, and DeKalb receive some entitlement aid, but this will decline to zero by 1980 although these cities remain eligible for assistance under the discretionary program.

#### Federal vs. Local Control

The early proposals of the Nixon administration called for absolutely no federal review of planned community development activities. While localities would be required to provide a statement of objectives and planned spending, these declarations would not be subject to prior federal review. Congress generally favored a more substantial local plan of action, submitted in a specified application form, and subject to federal review. This issue reflected a continuing concern over the appropriate role of the national government in community development action — whether it should support the activities of local governments in achieving local goals and objectives, or whether national purposes demanded a statement of national objectives and a limitation on local choice.

As enacted, the community development program provides a blend of national insistence and local discretion. While cities must file an annual application, the Department of Housing and Urban Development is required to review and decide on funding within a 75-day period. Applications held beyond 75 days are deemed automatically approved. At the same time the grounds for disapproval are both limited and clearly specified by the legislation. HUD is obliged to approve an application unless local "facts and objectives (are) plainly inconsistent" with available information on community needs, or local activities are "plainly inappropriate to meet the needs and objectives identified by the applicant." HUD is also allowed to review individual program activities for their eligibility under the law and their conformance with national objectives. Concern with local divergences from national goals prompted a major shift in the program regulations in March 1978. While the 1974 act required that local programs provide "maximum feasible priority" to

<sup>3</sup> The formula added in 1977 places the greatest emphasis on old housing (weighted .5), followed by poverty (.3), and population growth lag (.2).

## ILLINOIS GOVERNMENT RESEARCH

Institute of Government and Public Affairs

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The Institute of Government and Public Affairs of the University of Illinois is committed to research, service, and teaching in the area of governmental affairs. As part of this mission the institute publishes on an occasional basis *Illinois Government Research*. Each issue brings to the attention of concerned citizens and officials some aspect of public policy research. Although most items are written by institute staff members, manuscripts by other authors will be considered for publication. In each case the views expressed are solely the responsibility of the author and do not reflect institute policy or imply institute endorsement.

Springfield provide examples of the share-down situation. The high levels of aid in both cities continued from 1975 through 1977 with regular reductions until the 1980 formula level is reached. Peoria illustrates a third variant where the level of previous activity and the calculations of the formulas balance out to essentially stable funding from 1975 through 1980.

For the entire state of Illinois, the relative balance of gainers and losers is quite favorable. Six cities which did not receive any funds under the categorical system are now block grant recipients. Another eleven cities now receive more on an annual basis than they had previously with some dramatic increases. Only two cities (Peoria and East St. Louis) are receiving roughly the same amount of aid as under the categorical grants. Finally four cities (Bloomington, Rock Island, Rockford, and Springfield) have seen their federal aid dollars decrease. Their apparent loss is, however, something of an accounting artifact resulting from a late start in the urban renewal program. Even their reduced 1980 funding will represent an increase over their historical level of participation in federal community development efforts.

## CONCLUSION

While the community development block grant program must be considered a net financial bonus for Illinois' cities, it is not without some negative aspects. The formula system for distributing assistance may reduce a variety of inequities and provide a guarantee of federal aid, but its

effect is to reduce the amount of federal aid per dollar. The communities which are spending its money and operating programs will benefit financially from its aid, while other communities with less effective programs will receive their "entitled" federal dollars. For the urban centers of Illinois, this is a particularly serious weakness. Historically, bypassed by eastern urban centers in the contest for federal aid, Illinois can now find itself caught up to a state long-standing problems of housing and neighborhood deterioration with a relatively few and inadequate levels of aid. It will be many years before Peoria and Joliet can reach the same level of physical improvement and neighborhood revitalization that New Haven and Boston have already achieved. The block grant system has succeeded in securing the participation of almost all eligible Illinois communities. In a marked departure from the limited employment of categorical grant programs, communities are enlarging the scope of local government responsibility to include issues of housing and community revitalization. This increased contact with the federal government is also altering the character and outcomes of local decisions. One jurisdiction (DuPage County) has lost its entitlement funding for 1979 due to limited achievement in rehabilitating and developing housing. Other communities may well find their local needs and desires in conflict with the intent and goals of the national government with the unpleasant probability of using their recently gained federal largesse.

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Table 2  
FEDERAL COMMUNITY DEVELOPMENT AID BY CITY

	Urban renewal aid per capita 1949-1974	Annual average aid per capita 1968-1972	1980 community development aid per capita (1974 formula)	1980 community development aid per capita (1977 formula)	National income rank 1974 (of 907 cities)
New Haven	\$1,318.31	\$131.89	\$22.21	\$39.87	650
Boston	547.23	50.08	21.44	37.80	697
Chicago	71.80	12.82	21.79	36.79	428
Rockford	75.92	17.69	14.90	14.90	296
Peoria	5.51	16.66	17.23	18.33	198
Springfield	84.02	49.19	17.34	23.00	257
Evanston	—	0.76	15.64	25.39	49
Joliet	22.24	1.88	15.80	16.76	306
Aurora	—	0.72	13.92	15.35	281
East St. Louis	186.52	49.89	40.23	53.47	905
Skokie	—	—	7.13	7.13	23
Waukegan	—	4.11	15.31	15.31	218
Decatur	47.81	5.70	16.66	17.06	263
Arlington Hts	—	0.29	7.30	7.30	43
Oak Park	—	—	10.30	30.11	59
Elgin	54.24	—	11.96	15.24	274
Champaign	43.10	6.60	16.40	16.40	402
Rock Island	71.67	49.48	16.43	28.33	255
Mt. Prospect	—	—	7.91	7.91	60
Moline	—	0.09	13.40	20.87	151
Bloomington	190.34	54.24	13.65	20.63	250
Urbana	—	0.82	16.01	16.01	443
Kankakee	—	—	15.90	24.24	338
Normal	—	—	13.26	13.26	732
Rantoul	—	4.89	13.61	13.61	N.A.
Cicero	—	—	11.59	32.52	221
Oak Lawn	—	—	10.65	10.65	91
Des Plaines	—	—	8.76	8.76	90
Berwyn	—	—	9.62	31.62	117

City population figures as of 1970

— Indicates no federal funds received

N.A. Indicates data not available

limited to the federal open space program which provided new parks and playspace. While participation in these specialized grant programs gave cities some experience in dealing with the federal government, it did not involve a broad range of community development activities or substantial local intervention in the area of housing.

#### Illinois in the New Era

The massive impact of the 1974 Housing and Community Development Act is indicated by the third column of Table 2. First, the community development program provides federal aid to a far larger number of communities than its predecessor programs. The extension of the *number* of participants is paralleled by an expansion of the degree of participation — far more cities are now able to provide broad-based programs in housing and neighborhood preservation and renewal.

The distributional inequities of the categorical grant system have largely been remedied. Under the present funding arrangement, the poorest entitlement community in the state, East St. Louis, receives seven and one-half times more aid on a per capita basis than Skokie, the wealthiest participant. However, the formula system for distributing funds has generated two sources of inequity across cities. By basing entitlement status on central city

designation, some smaller communities such as Rantoul (with a 1970 population of 25,462) and Normal (26,396 population) receive regular aid while larger nonmetropolitan cities (such as Danville and DeKalb) and suburbs (such as Maywood and Harvey) are forced to compete annually for funds in the discretionary program. A second problem was created by the adoption of the dual formula in 1977 which added growth lag and housing age as elements in the allocation of community development dollars. Older, built-up suburbs such as Evanston and Oak Park received a windfall in federal aid. Indeed, Oak Park will rank third across the state by 1980 in per capita community development aid, immediately behind the city of Chicago. The magnitude of this shift is suggested by the fact that Oak Park ranks 59th of 907 cities in terms of per capita income as of 1974 while Chicago ranks 428th.

The funding shifts in the change from a categorical grant system to the block grant approach were not allowed to occur overnight. As noted earlier, major "winners" under the earlier system were to be gradually reduced or phased down in their aid levels, while new participants were to be gradually phased in to their full funding level. The actual workings of this phase-in/phase-down arrangement are shown in Table 1. Both Joliet and Aurora, for example, are new participants with full funding levels (shown in Table 2) reached by 1977. Bloomington and

programs benefiting low or moderate income persons. HUD now identifies the national concern with the community development needs of the poor as a singular objective. Cities are now required to indicate on their annual submittals the proportion of project funds directed to low and moderate income areas and persons. Where the proportion of benefits to this income group falls below 75 percent, HUD subjects the entire application to a more stringent review of program eligibility and benefit. The increased HUD concern with program benefit has caused at least some anxiety among local officials although there have been almost no cases in Illinois where cities were forced to substantially alter their plans and programs.

The final objective of the Nixon administration's new federalism was an increase in local choice decision-making discretion. To some extent the requirement of an annual application limited total freedom for cities. Local choice is also constrained by the inclusion of a specific list of eligible activities within the final legislation. The broadest scope is allowed for physical development activities, including land acquisition, disposition, and relocation. Substantial freedom is also provided for the construction of new public facilities (where these benefit a specific neighborhood rather than the entire city), and public works, such as streets, sewers, lights, and sidewalks. The program also allows a number of approaches to assist private individuals in rehabilitating housing. The most restricted eligibility involves "soft" public service activities. These are limited to areas where other community development functions are to be performed, where the service is determined to be "necessary and appropriate" and not otherwise available from city government, and where other grant assistance for the service is applied for and denied. The clear intent of the Congress was a concentration on physical improvements. Although a Senate-supported limitation on public services spending (to 20 percent of the annual entitlement) is not included in the final legislation, HUD implicitly accepts such a restriction on total services funding when it reviews local applications.

As with most federal grant programs, local support for a broader and less restrictive set of activities proved to be irresistible. The 1977 revisions to the original provisions allowed for greater freedom in providing housing rehabilitation assistance with eligibility for economic development activities and for projects carried out by nonprofit neighborhood organizations. The tendency to gradually increase the breadth of program eligibility and the scope of local choice is endemic to federal aid efforts as recipients seek to increase their own flexibility in spending. It is likely that this path will continue to be followed as the entire community development block grant program is reconsidered and reviewed in 1980.

## THE FLOW OF AID DOLLARS TO ILLINOIS

The experience of Illinois communities demonstrates how the shift from categorical assistance to a block grant approach has affected such issues as equity and need in federal aid. From 1949 until 1974, federal community development efforts were dominated by the urban renewal and neighborhood development programs. Urban renewal required a strong local commitment, both because cities were required to submit applications for each individual project they sought to undertake and because federal aid required a local contribution of either one-third or one-

quarter of the project costs (depending on the size of the city). Many Illinois cities failed to get their fair share of renewal grants. A combination of fear of federal red tape and "strings" and a lack of local leadership and resources often limited local participation in federally aided programs. Table 2, which indicates federal urban renewal aid from 1949 to 1974 on a per capita basis, demonstrates the impact of these local factors on grant receipts. The table includes only entitlement localities; small communities and nonmetropolitan areas are not included.

In comparison with the major practitioners of urban renewal grantsmanship — New Haven, Connecticut, and Boston, Massachusetts — Illinois cities received only a modest level of federal aid. Even the federal aid levels for Chicago and East St. Louis appear modest in comparison with those for Providence, Rhode Island (\$393.75 per capita), Baltimore, Maryland (\$250.08 per capita), Minneapolis (\$280.87), and Detroit (\$128.56). While Illinois communities were generally gaining less federal urban renewal aid than other cities in the Northeast and Midwest, there were also substantial inequities in aid *within* the state. Although the poorest city in Illinois (East St. Louis) received substantial aid, a much wealthier community (Bloomington) garnered even more on a per capita basis. Joliet, with substantial problems of population loss and urban decay, received less than half the aid amounts of such places as Elgin and Champaign.

The relative disadvantage of Illinois communities in gaining federal aid was magnified by a problem of timing. Even those cities that were successful in attracting federal dollars often initiated their renewal activities much later than northeastern cities. Cities such as Boston and New Haven had embarked on vigorous renewal in the mid-1950s. Bloomington did not initiate a large-scale project until 1970, as did Peoria. These late-entrant cities found their federal aid could provide far less since the costs of land and agency operations were much higher and federal requirements more stringent than in earlier periods. Consequently they have been forced to complete their planned programs with aid under block grants.

The first column of Table 2 indicates that the majority of Illinois entitlement cities did not even participate in urban renewal activities. For many suburban localities, such as Arlington Heights and Oak Park, the housing and community development problems did not appear to merit drastic intervention with federal programs. In other cases, such as Waukegan and Urbana, local opposition to federal rules and requirements effectively stymied any local action.

Another "snapshot" of federal assistance is provided by the second column of Table 2 which indicates the average annual funding (hold-harmless level) cities received from seven grant programs between 1968 and 1972. A general image of large inequities in grant receipts is apparent with Bloomington again the biggest aid "winner" in the state. Most cities, however, were able to gain at least some federal assistance during this five-year period. Only Normal, Elgin, Oak Park, Skokie, Kankakee and Mt. Prospect remained completely outside the federal arena. The average level of aid was however quite modest. In addition, local participation was generally specialized, limited to one or two programs of the federal aid inventory. In Champaign, Rantoul, and Joliet, the bulk of federal assistance was accounted for by water and sewer projects. In Urbana, Aurora, Arlington Heights, Evanston, Waukegan, and Moline, grantsmanship was



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## PROPERTY TAXES IN ILLINOIS

A. James Heins

### Part I: PROPERTY TAX CHANGES IN ILLINOIS, 1940-77

Until the turn of this century, almost all of the revenue of the state as well as local governments was derived from the property tax. Since 1900, however, the state has turned increasingly to other forms of taxation. In fact, in 1943 state government made its last property tax levy, and for the last forty-five years sales and income taxes have financed the rapid expansion of state government spending.

Local government units continue to have to rely, at least in part, on this form of taxation. The purpose of this study is to analyze changes in the level and distribution of

property taxes in Illinois from 1940 to 1977. It will show the changing dependence on property taxes by the various units of local government and relate those changes to the personal income of those units as well as to other social and economic attributes.

While the property tax continues to be the major tax source available to local units of government, its relative importance is declining. Table 1 shows property tax extensions for selected years in the period 1929-77. As a percent of income, extensions in 1976 are lower than any year since 1955. It should be pointed out that the 1977 extension figure is artificially high because of action taken in Cook County anticipating replacement of the personal property tax. Much of the big increase in Cook County extensions will not be collected. When one notes that those 1977 property taxes account for about 30 percent of all state and local tax revenues (exclusive of federal aid) compared with 41 percent ten years earlier, the decreasing reliance on property taxation is made even clearer.

Table 2 reveals another perspective on property taxes in Illinois, a comparison of property tax levels in other

**Table 1**  
**PROPERTY TAX EXTENSIONS AND PERSONAL INCOME:**  
**SELECTED YEARS 1929-77 IN ILLINOIS**

Year	Property Tax Extensions* (millions)	Personal Income (billions)	Extensions as a Percent of Income
1929	\$ 350.7	\$ 7.3	4.82%
1933	333.4	3.3	10.00
1940	330.9	6.0	5.55
1945	366.7	10.8	3.38
1950	566.5	15.3	3.70
1955	790.5	21.0	3.76
1960	1,206.7	26.4	4.57
1962	1,400.3	28.9	4.85
1964	1,521.4	32.1	4.74
1966	1,688.3	38.1	4.43
1968	2,046.8	43.8	4.67
1970	2,519.3	50.1	5.03
1971	2,708.4	53.4	5.07
1972	3,034.6	57.7	5.26
1973	3,137.5	63.3	4.96
1974	3,270.4	69.4	4.71
1975	3,394.6	75.4	4.50
1976	3,572.2	81.8	4.37
1977	3,921.0	89.4	4.39

Source U.S. Department of Commerce, and Illinois Department of Local Government Affairs (DLGA).

\* Property tax extensions data are reported by DLGA as being made a year earlier. For example, extensions shown above for 1977 are published by DLGA as 1976 extensions. The money is actually collected in 1977.

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**Table 2**  
**PROPERTY TAX COLLECTIONS IN SELECTED STATES**  
**FOR SELECTED YEARS 1957-76**

Year	Per Capita Property Taxes (tax as a percent of income)						
	U.S.	Calif.	Ill.	Mich.	N.Y.	Ohio	Tex.
1957	\$75	\$112	\$93	\$84	\$109	\$74	\$63
	(3.8%)	(4.5%)	(3.8%)	(3.9%)	(4.3%)	(3.3%)	(3.6%)
1960	91	133	109	106	132	90	78
	(4.1)	(4.9)	(4.2)	(4.6)	(4.8)	(3.9)	(4.1)
1964	107	161	126	124	150	112	89
	(4.3)	(5.3)	(4.2)	(4.7)	(4.9)	(4.4)	(4.1)
1967	132	209	146	139	181	129	103
	(4.3)	(5.8)	(4.0)	(4.2)	(4.9)	(4.1)	(3.9)
1970	168	262	201	184	237	162	128
	(4.4)	(6.0)	(4.6)	(4.6)	(5.1)	(4.2)	(3.8)
1973	216	348	244	234	320	186	161
	(4.6)	(6.7)	(4.5)	(4.6)	(5.8)	(3.9)	(3.8)
1976	266	415	284	324	415	224	213
	(4.3)	(6.0)	(4.0)	(4.9)	(6.1)	(3.7)	(3.6)

Source U.S. Bureau of the Census. Figures are estimates of per capita tax collections during the fiscal year; these are also expressed, in parentheses, as a percent of estimated per capita income during the fiscal year.

states.<sup>1</sup> Table 2 shows that Illinois property taxes are below the national average and well below tax levels in California, Michigan, and New York. Actually, Illinois ranks only slightly ahead of Texas, 4.2 percent income to 3.6 percent, widely regarded as a low tax state.

Not only have there been striking changes in the total property tax burden, the distribution of those taxes among the counties of Illinois has also changed significantly. In the sections that follow, the distribution of taxes in 1940 is compared with the distribution in 1977. The emphasis here is on the relationship between income and property taxes in the counties, grouped in various ways.

### CHANGES IN TAXES AND INCOMES — METROPOLITAN AND RURAL AREAS

Table 3 shows changes in the relationship between property taxes and income in various metropolitan counties and rural areas between 1940 and 1977.

#### Changes in Income

Per capita income in Cook County in 1940 was \$958, significantly higher than the \$636 reported in the Chicago suburban counties. Rural counties reported an even lower per capita income: \$447, or less than half that of Cook County.

Between 1940 and 1977 these rural counties experienced an annual rate of growth in personal income of 7.5 percent, increasing more than fourteen times over the period. By comparison, residents of Cook County experienced an annual income growth rate of 6.0 percent, less than an eightfold increase during the same period. From having less than half of Cook County's per capita income in 1940, the rural counties achieved an income level of almost 80 percent of that in Cook County in 1977. Undoubtedly these changes reflect the migration — in substantial measure black — from rural areas in this and other states into the city of Chicago. But, they also reflect improvements in the productive capacity of agriculture and other lines of production centered in rural areas.

Looking more closely at the progress of personal income

<sup>1</sup> These data are actual property tax revenues reported by the U.S. Bureau of the Census, and differ slightly from Illinois data used in Table 1, which were based on figures from the Department of Commerce Comparison of Illinois with other states required use of census data.

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**Table 3**  
**PROPERTY TAXES AND INCOME IN METROPOLITAN AND RURAL COUNTIES, 1940-77**

Counties	Per Cap Tax 1940	Per Cap Tax 1977	Per Cap Income 1940	Per Cap Income 1977	Tax as % of Income 1940	Tax as % of Income 1977
Chicago metro	\$51	\$393	\$922	\$8,269	5.54%	4.75%
Cook	53	393	958	8,268	5.55	4.76
Suburban*	35	391	636	8,271	5.45	4.73
Downstate						
Metro	33	270	646	7,083	5.11	3.82
Bloomington-Normal	35	314	548	6,746	6.31	4.66
Champaign-Urbana	35	255	561	6,368	6.28	4.01
Danville	33	249	470	6,880	7.00	3.62
Quad-cities	28	263	699	7,677	4.02	3.42
Decatur	33	249	632	7,445	5.28	3.35
Kankakee	22	251	465	6,852	4.77	3.67
Peoria	35	343	796	7,903	4.40	4.34
Quincy	27	242	480	6,881	5.71	3.52
Rockford	30	303	779	7,163	3.85	4.23
Springfield	33	271	682	7,819	4.88	3.46
St. Louis	32	210	655	6,549	4.82	3.21
Rural	28	285	447	6,227	6.18	4.36

Source: Income: University of Illinois Bureau of Economic and Business Research

Taxes: State of Illinois Department of Local Government Affairs

\* Kane, Lake, McHenry, DuPage, Will.

in specific metropolitan areas of the state — Chicago as well as downstate — it is clear that there were particularly large increases in average income in Danville, Kankakee, and Quincy; each had increases in income of more than 1300 percent over the thirty-seven year period. The slowest rates of income growth were registered by the six-county Chicago metropolitan area and Rockford.

#### Changes in the Distribution of Taxes

Turning now to changes in property tax extensions as shown in Table 3, the overall picture is one of relative tax decline in all areas of the state. These figures reflect the changes in the aggregate importance of the property tax reported at the outset of this paper. Specifically, property tax extensions in Cook County declined from 5.55 percent of income in 1940 to 4.76 percent of income by 1977, a reduction of almost 15 percent. In other words, while per capita taxes increased from \$53 to \$393 over the period, that increase was less than the increase in income.

At this point it is important to note that the rate at which tax extensions are actually collected in Cook County is less than that of other counties. In 1977, the latest year for which data are available (reported as 1976 extensions by the Department of Local Government Affairs), only 86.4 percent of extensions were collected, compared with the 90 to 99 percent collection rate reported in most of the other counties. This means that the \$393 per capita extension figure for Cook County reflects actual collections of approximately \$340, while collections in the other counties are close to the extension figures. Extension details are used in this analysis because of the greater detail in available data.

The tax level in Chicago suburban counties increased much faster than that in Cook. From \$35 per capita in 1940, the property tax load in these counties increased to \$391 per capita in 1977, better than 98 percent of which was collected. That represents an increase of more than elevenfold in property taxes; but since per capita income increased more than 13 times, the rate of property taxation out of income actually declined in the suburban counties.

Note the experience in other counties. Per capita property taxes in rural counties increased almost tenfold in the 1940-1977 period. But since income levels increased almost 15 times, the rate of property taxation out of income has declined substantially, from 6.18 percent in 1940 to 4.36 percent in 1977. Experience in the downstate metropolitan counties is similar but not quite as marked. From 5.11 percent in 1940, property tax extensions declined to 3.82 percent of income in these metropolitan counties in 1977. As of 1977, the level and rate of property taxation in downstate counties has been significantly less than that in the six-county Chicago area.

## THE DISTRIBUTION OF TAXES AND INCOMES — COUNTIES BY INCOME GROUPS

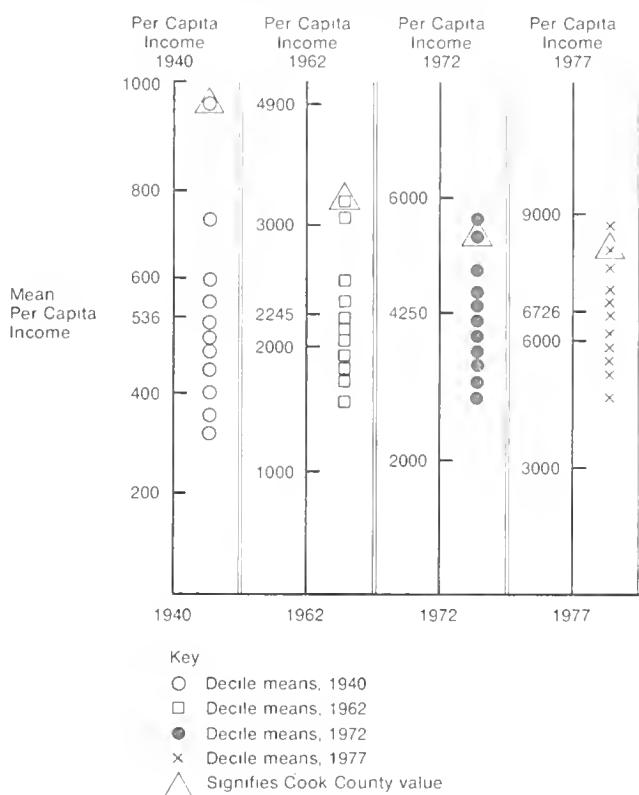
Perhaps the most significant features of property tax changes in Illinois over the period 1940-77 are revealed in Table 4, which shows the change in the distribution of property tax burden in counties grouped on the basis of their income. In 1940 the poorer counties paid a larger share of their income to property taxes than did the wealthier counties. In 1977 the opposite was true: the wealthier counties faced the highest rate of property taxation.

Before looking further at changes in the distribution of property taxes, it is instructive to note changes in the distribution of income among the counties by decile groups.

### The Narrowing of Income Differentials

Table 4 reveals that there was a substantial narrowing of the income differential between 1940 and 1977. In 1940,

Figure 1:  
INCOME DIFFERENTIAL AMONG COUNTIES



the per capita income in Cook County was \$958, some 192 percent higher than the per capita income of \$328 in the ten poorest counties. (Since the counties are grouped into deciles on the basis of 1977 income, it is clear that the differential would have been even wider were counties grouped by 1940 income.) By 1977 per capita income in Cook County had fallen below the average of the ten wealthiest counties, and the \$8,543 income per capita registered in the ten wealthiest counties exceeded the \$4,916 income in the ten poorest counties by only 73 percent.

The overall narrowing of income differential between the counties is revealed in Figure 1. Data for 1962 and 1972 are included to show that the narrowing process has been a continuous one. This figure is constructed so that decile per capita incomes for each of the four years are graphed around the average income for those years. By this process the reduction in dispersion of incomes among the counties becomes visually apparent. Naturally, the change between 1972 and 1977, only a five-year period, is less marked. Note also how Cook County is gradually climbing down the income ladder.

The reason for the narrowing of income differential is clear. It is a phenomenon observed in every state in the United States, and even among the states. In a society made mobile by efficient transportation and aware by radio and television, people from poorer areas have migrated to areas where wages are higher. In addition, capital has tended to flow to those areas where wages are lower. The inevitable result of both forces has been to reduce the income differential between the richer and poorer areas of the state and the country.

Table 4

### PROPERTY TAXES AND INCOME IN DECILES OF ILLINOIS COUNTIES, 1940 AND 1977

Deciles*	Per Cap Tax	Per Cap Tax	Per Cap Income	Per Cap Income	Tax as % of Income	Tax as % of Income
	1940	1977	1940	1977	1940	1977
1	\$35	\$384	\$729	\$8,543	4.76%	4.49%
Cook	53	393	958	8,268	5.55	4.76
2	33	325	554	7,519	5.93	4.32
3	33	318	599	7,171	5.46	4.43
4	29	288	523	6,918	5.60	4.16
5	32	292	489	6,735	6.50	4.34
6	27	246	446	6,371	5.97	3.87
7	29	208	507	6,096	5.70	3.41
8	22	235	400	5,862	5.42	4.01
9	24	231	361	5,586	6.70	4.14
10	21	214	328	4,916	6.49	4.36

Source: Income U.S. Bureau of the Census  
Taxes Illinois Department of Local Government Affairs

\* Grouped by 1977 per capita income. Decile 1 contains the ten wealthiest counties (save Cook), Decile 2 the next ten counties by wealth, and so on.

## Changes in the Distribution of Property Taxes

Table 4 also shows changes in the distribution of total property taxes among the counties grouped by deciles of income. Note that the counties paying the highest portion of their income to property taxes in 1940 were deciles five, nine, and ten, comparatively the poor counties. In 1977, the counties facing the highest rates of property taxation were the first and third deciles and Cook County, the wealthiest counties. This simple comparison points up the dominant change in the distribution of property taxes in Illinois. Property taxes are declining faster, relative to income, in the poorer counties of Illinois.

This relationship is shown more precisely in Figure 2. The figure graphs the decile by decile relationship between per capita income and the property tax-income ratio for the years 1940 and 1977. In 1940, the trend line

Figure 2:  
COMPARISON OF INCOME AND PROPERTY TAX — INCOME RATIO  
(by county)

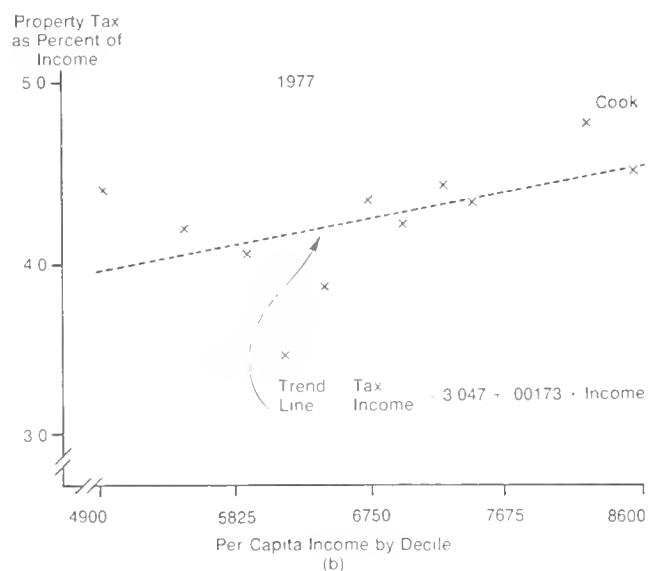
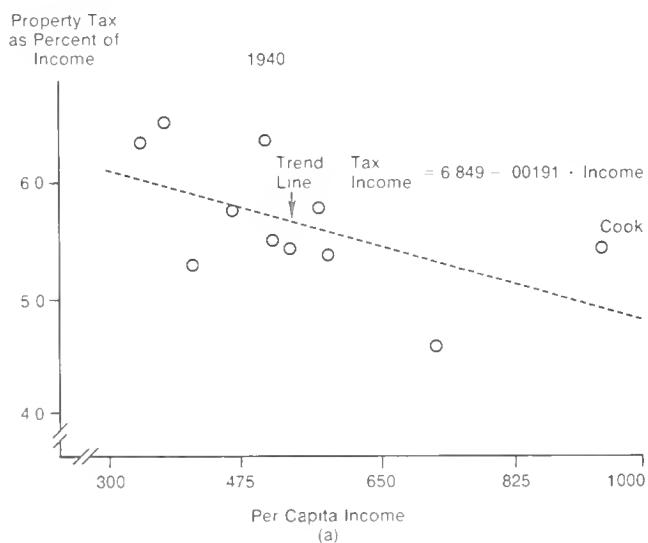
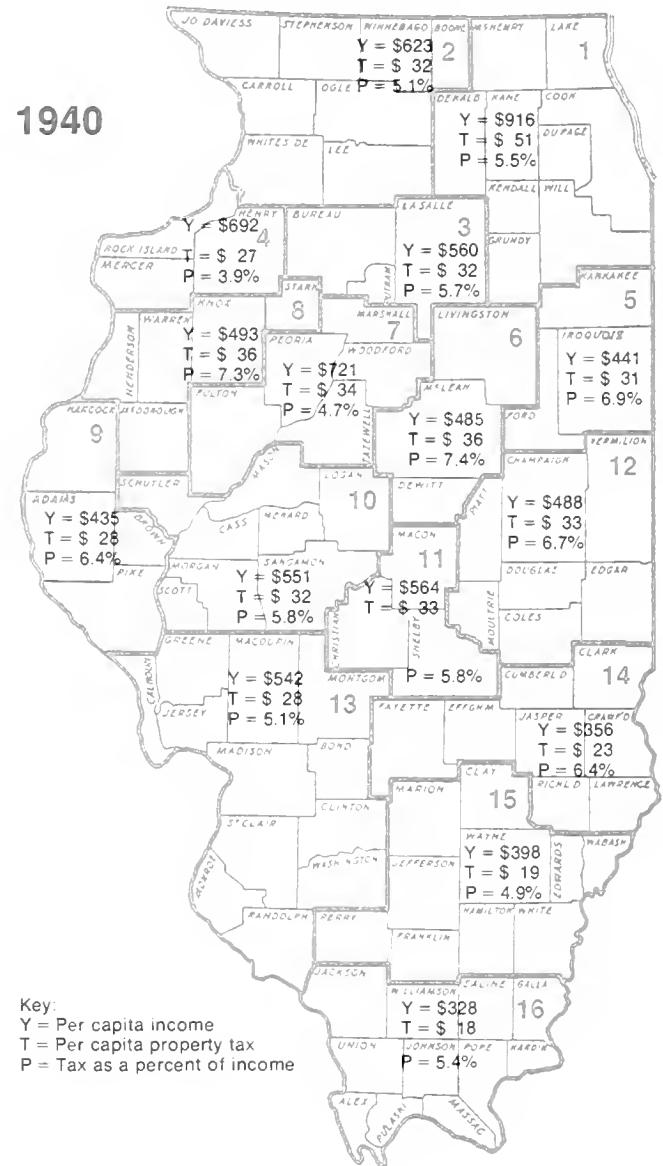


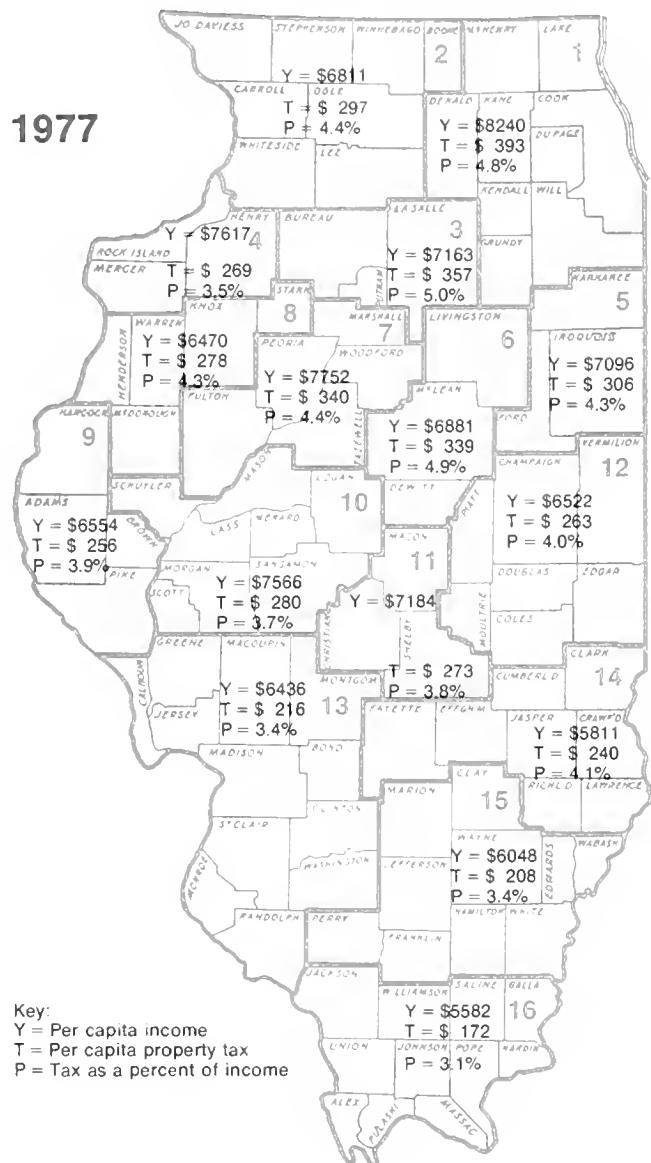
Figure 3:  
DISTRIBUTION OF TAXES AND INCOME BY REGION



is clearly downward the higher the income of a group of counties, the lower the percent of that income paid in property taxes. The trend line for 1977 is just as clearly upward the counties with the higher incomes paid relatively higher property taxes. (The correlation coefficients for 1940 and 1977 were -0.60 and 0.54, respectively. Figure 2 also shows equations for the trend lines.)

The character of the trend lines for the two years is somewhat different, however. The 1940 line is smoothly downward. The 1977 line appears to be composed of two segments. Over the range of incomes for the deciles with the lowest incomes, the relationship is downward, higher income means a lower relative tax burden. For the richest six deciles plus Cook County, the line slopes markedly upward, higher income means a greater tax burden. The significance of this result is explored in my

Figure 4:  
DISTRIBUTION OF TAXES AND INCOME BY REGION



larger study *Property Taxes in Illinois*.<sup>2</sup> Essentially, it means that middle income counties tend to pay lower property taxes relative to income than either the poorer or wealthier counties.

### THE DISTRIBUTION OF TAXES AND INCOME — REGIONS

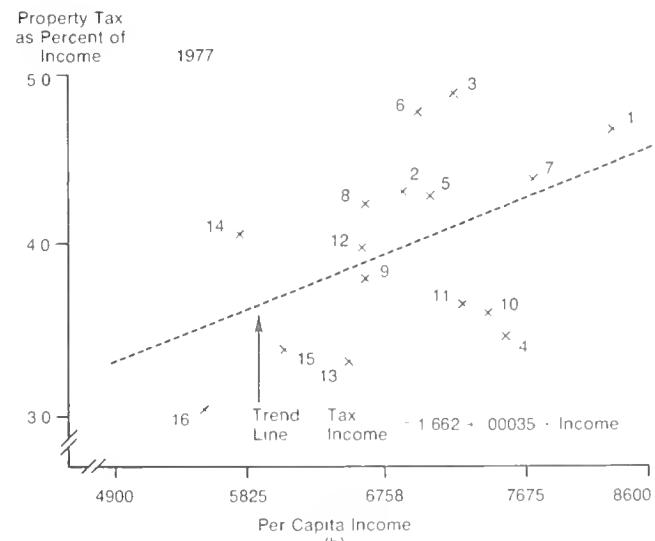
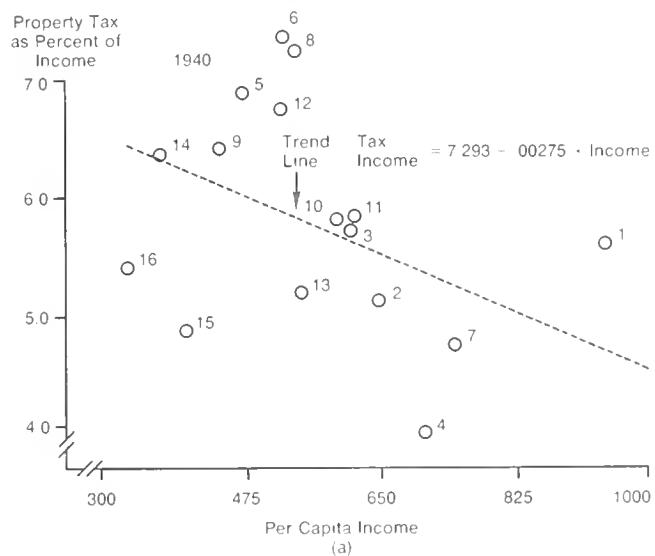
A third way of looking at the issue of the distribution of taxes and income is depicted by the two maps in Figures 3 and 4. The maps show a regional picture of tax and income changes between 1940 and 1977. The changes

revealed are similar to the changes for income deciles and metropolitan-rural areas reported above. In all regions income increased more rapidly than taxes, and relative property tax burden declined. Moreover, the decline in relative tax burden was greatest in the poorer regions of Illinois.

### Regional Distribution of Income

Per capita income figures among the regions of Illinois, as shown on the two maps, underwent a striking change after 1940. In 1940 the poorest region, Carbondale, had a per capita income of only 36 percent of that in Chicago, the richest region. Although Carbondale was still the poorest region in 1977, its per capita income had increased to \$5,582 or almost 68 percent of the \$8,240 registered in Chicago. Differentials in the regional distribution of income have also clearly narrowed.

Figure 5:  
COMPARISON OF INCOME AND PROPERTY TAX — INCOME RATIO  
(by region)



<sup>2</sup> This publication is available free in mimeographed form from the Institute of Government and Public Affairs, University of Illinois, 1201 W Nevada Street, Urbana, Illinois 61801

The reasons for declining regional income differentials in Illinois are the same as those discussed earlier. Migration of people from poor to wealthy regions, and migration of capital from wealthy to poor regions both contribute to the economic uplifting of the poor regions and the narrowing of income differentials.

#### Property Taxes in the Regions

The changing pattern of property tax distribution among the regions is similar to that displayed earlier for counties arrayed by income groups and metropolitan areas. The poorer regions have experienced greater income increases than the wealthier regions, but property taxes have not kept pace. And, in all regions, property taxes have increased at a slower pace than income.

These facts are also made apparent by the maps. In the Chicago region taxes as a percent of income declined from 5.5 percent in 1940 to 4.8 percent of income in 1977. In Carbondale, taxes as a percent of income declined from 5.4 to 3.1 percent in the same period. If relative tax burden declined in Chicago, it declined even further in Carbondale.

The pattern of tax change among the regions between 1940 and 1977 shows up clearly in Figure 5. The display is similar to that of Figure 2. Data for each of the sixteen regions are charted on graphs that relate per capita income to the percent of that income paid in property taxes for 1940 and 1977. Values for each of the regions are denoted by the number of the region.

The trend lines in Figure 5 reveal the familiar "twist" in the property tax-income relationship. The 1940 trend line slopes downward, reflecting the tendency for the poorer regions to have faced a greater burden of property taxes. The 1977 trend line slopes upward showing that wealthier regions of Illinois are now paying a higher percent of their income to property taxes.

#### ECONOMIC IMPLICATIONS

The foregoing sections of this paper reveal two important aspects of property tax change in Illinois over the period 1940 to 1977. One, property tax burden as a percent of income has declined in all regions of the state and among all categories of counties. This decline was not continuous. From a low point after World War II, property tax burdens increased until a high point in 1972 after which a marked decline occurred.

The second important change has been a redistribution of burden between richer and poorer regions. Property taxes as a percent of income tended to be higher in poorest counties in 1940. The reverse tended to be true in 1977; taxes were relatively higher in the richest counties.

The relative decline in property taxes everywhere can be explained by two basic factors. There has been a modest decline in demand for public services because of demographic change, principally the reduction in the school-age population; and there has been a shift in emphasis to other forms of taxation. Local government has increased its reliance on utility taxes, sales taxes, and other minor revenue sources.

The twist in the tax-income relationship between 1940 and 1977 can probably be attributed to redistributive aid to the common schools. Use of the Strayer-Haig formula for state aid to education prior to 1973, and the resource equalizer formula employed since, have effectively increased the share of the education tab picked up by Springfield. Since almost two-thirds of property taxes go to elementary and secondary education, this inevitably gave more property tax relief to the poorer regions of the state. Since that was clearly an intended result of employing a redistributive aid formula, the findings of the study clearly imply that the formula was effective.

## Part II: THE DISTRIBUTION OF PROPERTY TAXES IN ILLINOIS IN 1977

During the last several years, and especially since California's Proposition 13, the property tax has been a hot topic in our national press. Illinois is no exception. The purpose of this paper is to describe and evaluate the distribution of property taxes in Illinois in order that this issue may be pursued more rationally in the months and years ahead. The unit of analysis will be the Illinois county, and the year under consideration is 1977.

Do agricultural counties tend to pay higher property taxes than nonagricultural counties? What effect has urbanization had on property tax burden? Is the burden of property taxes higher in those counties with many school-age children? What is the effect of manufacturing on the distribution of property taxes? Do bedroom counties pay higher or lower taxes than counties where people tend to work? How does financial aid from the state and federal governments affect property taxes? Perhaps most importantly, what is the relationship between income and tax burden?

### THE METHOD OF ANALYSIS

The general procedures employed were those of modern econometric analysis. It assumes that the level of property taxes in any county depends on a number of economic and demographic factors. The concept of the level of taxes was expressed in two ways: (1) property taxes extended per capita and (2) property taxes extended as a percent of county personal income. Each of the two levels of property taxes was then related to a number of economic and demographic factors to see what effect variation in those factors would have on the burden of property taxation in the year 1977.

It should be pointed out that the purpose of these procedures is to obey the principles of *ceteris paribus*, to make "other things equal." This enables us to isolate the effect on property taxes of each of the factors, even though those factors fluctuate together in the real world.

The factors employed in the analysis were:<sup>3</sup>

#### Per Capita Income

We know that higher income leads to higher property taxes; as the income of citizens increases they spend part of that increased income on public goods. But there are other questions about this relationship. What effect does higher income have on the percentage of income paid in property taxes? Do people in richer counties tend to pay a smaller percent of that income to property taxes? Or, is the converse true?

#### Agriculture

The precise factor used is the percentage of personal income arising in the agricultural sector. Some have suggested that the burden of property taxes is higher in heavily agricultural counties

#### Manufacturing

Here the factor of concern is the percentage of personal income arising from manufacturing. At first blush, one might suppose that more manufacturing activity would imply less agriculture, and thus would be redundant. But, that is not so. The percentage of income from agriculture in the average county in 1977 was 14.5 percent, from manufacturing 22.1 percent. That leaves some 63.4 percent of income to arise in the other sectors. Moreover, agriculture and manufacturing are different than other sectors of the economy; their products are largely for export. Products of other sectors — retail trade, utilities, finance — are largely for consumption in Illinois. Thus, both agriculture and manufacturing merit separate inclusion.

#### Urbanization

This factor is measured by the percentage of the population living in areas defined by the U.S. Bureau of the Census as urban. Urbanization is related to manufacturing and agriculture by the nature of the production processes involved. Agriculture requires open space, manufacturing requires concentrations of people. Beyond that there is much room for variation. The United States county with the highest value of agricultural output is Los Angeles, also a highly urban county. Conversely, in some counties that are rural agriculture does not dominate.

#### Age Distribution

This variable is measured by the percentage of the population between five and twenty years of age. Public services — education, health, and even police — are consumed principally by the young. Since the lion's share of property taxes goes to these services, one might assume that counties with a higher percentage of young people would pay a higher percent of their income to property taxes.

#### Commuting

Here the question raised is: what is the relationship between taxes in bedroom counties and taxes in counties with high employment? The community factor is measured by the net percentage of the county population working in another county. This variable ranges from negative values in counties with a high influx of workers to highly positive values in bedroom counties. One might suppose that bedroom counties have fewer production facilities offering property tax support relative to income defined by place of residence. On the other hand, fewer public services may be needed in those counties.

#### Federal and State Aid

Counties receive varying amounts of aid from the federal and state governments. What effect does this aid have on property taxes?

Aid might be used to finance more public services, economists call this the stimulative effect of grants-in-aid. Aid might also serve to reduce local taxes, this is the so-called substitutive effect of aid. This analysis may provide some insight into this relationship among the 102 Illinois counties in the year 1977.

<sup>3</sup> Details of the technical analysis employed here are shown in the Technical Note to Part 3 of my larger study *Property Taxes in Illinois*.

## SOME FINDINGS

The results of the analysis generally show that (1) counties with higher incomes pay higher property taxes, although the relationship is not uniform; (2) other things equal, property taxes are higher in agricultural counties, (3) property taxes are also higher in manufacturing counties, (4) young people require higher property tax support, (5) bedroom counties tend to pay lower taxes than the counties to which people commute to work; (6) urban concentration facilities lower levels of property taxes; and (7) state and federal aid is both stimulative and substitutive, i.e. of each dollar in aid, 64 cents are spent for services or other tax relief and 36 cents are returned to property tax payers.

Let us hold the discussion of income and tax burden to last and take the remaining relationships in turn.

### Agriculture

The technical analysis indicates a strong and positive relationship between agriculture and the burden of property taxes. The burden of property taxes — both per capita and as a percent of income — is higher in counties that depend more heavily on agriculture.

Part (a) of Graph 1 shows the relationship between per capita property taxes and the percentage of personal income earned in the agricultural sector. At the mean value for all Illinois counties — 14.5 percent of income from agriculture — per capita property taxes were \$273 in 1977. However, in counties that relied more heavily on agriculture, say 30 percent, per capita property taxes averaged \$301. This represents a tax burden 10 percent higher than the average. At the other end of the spectrum, counties that had no agricultural output paid an average of only \$247 in property taxes. Again, it should be remembered that this analysis presumes that other factors — income, urbanization, etc. — are being held constant.

Part (b) of Graph 1 shows the effect of agriculture on property tax burden as measured by the percent of income paid to property taxes. The results are similar, at the mean 14.5 percent agriculture level, 4.32 percent of income went to property taxes. At 30 percent agriculture, the tax percentage increased to 4.73 percent.

At this point, it is important to note that the implications of these findings are unclear. Some may use the results to emphasize that the agricultural community is "over-taxed." However, since that community has a role in the political process, one could suggest that the results indicate that agricultural areas tend to demand more public services financed from property taxes. These services include far-flung rural roads and a long-haul educational system. A further analysis of the implications is left to others.

### Manufacturing

The study also shows a positive relationship between property taxes and the importance of manufacturing, although the statistical relationship is not quite as strong. (For those interested in statistical details, I again refer the reader to my larger study *Property Taxes in Illinois*.<sup>2</sup>)

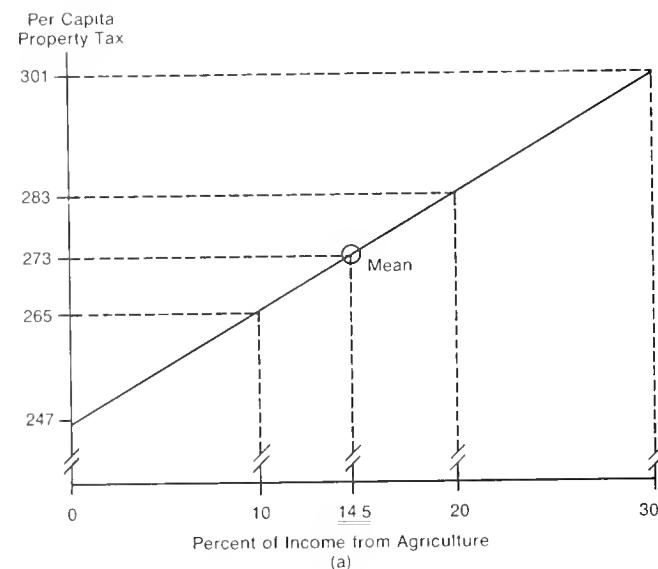
A graph of this relationship, similar to that drawn for the agricultural factor, would show that at the mean level of reliance on manufacturing — 22.1 percent of income — per capita property taxes again average \$273. If reliance

on manufacturing were to be 60 percent of income, property taxes could be expected to average \$302, an increase of more than 10 percent from the mean. At zero percent manufacturing, property taxes would average \$256 per capita.

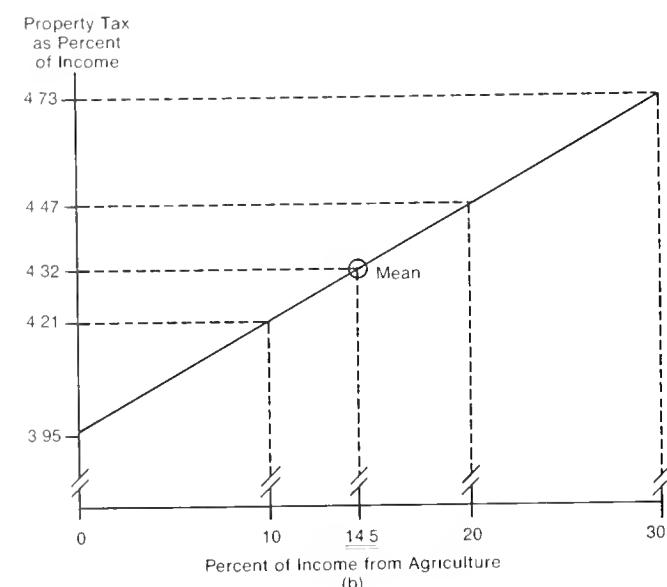
The effect of manufacturing on the percentage of income paid in property taxes is very similar; manufacturing counties pay higher property taxes out of income than nonmanufacturing counties. In counties where manufacturing generates 60 percent of personal income, property taxes average 4.7 percent of income. In counties with zero percent of income from manufacturing, property taxes come to 4.1 percent of income.

Note that increases in both agricultural and manufacturing activity increase property tax burdens. At first

Graph 1:  
AGRICULTURE AND PROPERTY TAXES



(a)



(b)

glance this might seem paradoxical. However, as indicated earlier, these sectors are both export oriented, and part of that property tax may be exported. If so, there would be a tendency to have higher levels of property tax in export counties. Note most particularly that property taxes on agriculture are akin to severance taxes. Viewed in this light the results reported for agriculture and manufacturing are consistent.

### Age Distribution

The results for this factor are especially significant. If nothing else, the conformity with logic suggests some reasonableness to the procedures used here. The findings are simple and clear: counties with a high proportion of school-age children tend to pay higher property taxes.

Graph 2 shows the effect of having a high proportion of people ages 5-20 on property taxes per capita — Part (a) — and on the percent of income devoted to property taxes — Part (b). In counties with 25 percent of the population aged 5-20, the property tax burden averaged \$251 per capita in 1977. If the percent of people 5-20 were 35 percent, the per capita property tax burden would average \$315. This represents a substantial difference. Part (b) of the graph shows that the amount of income going to property taxes increased from 3.88 to 5.16 percent over the same increase from 25 to 35 percent in school-aged children.

What are the implications of these findings? It probably means that if people in a county have a high birth rate and create a large young population, they will pay for that condition with higher property taxes. This is hardly a surprising conclusion. Nor would it appear to be an undesirable situation, though there are those who would argue with it.

### Commuting

A county that experiences in-commuting tends to have a higher property tax burden out of income, bedroom counties reported lower property tax levels. Property tax levels range from \$298 per capita in counties with a 20 percent influx of workers to \$228 in counties with an 80 percent outflow of workers. The percent of income going to taxes ranges from 4.73 to 3.60 over the same range of commuting expense.

The implications of these findings are certainly not clear. It must be noted that the tax data employed are gross data. Property taxes include residential taxes as well as taxes on business property. There is no way of telling if the tax on the typical person's home is higher or lower in the bedroom community. In any case, for those who believe that attracting industry will lower property tax burdens, these results — at a minimum — raise a question.

### Urbanization

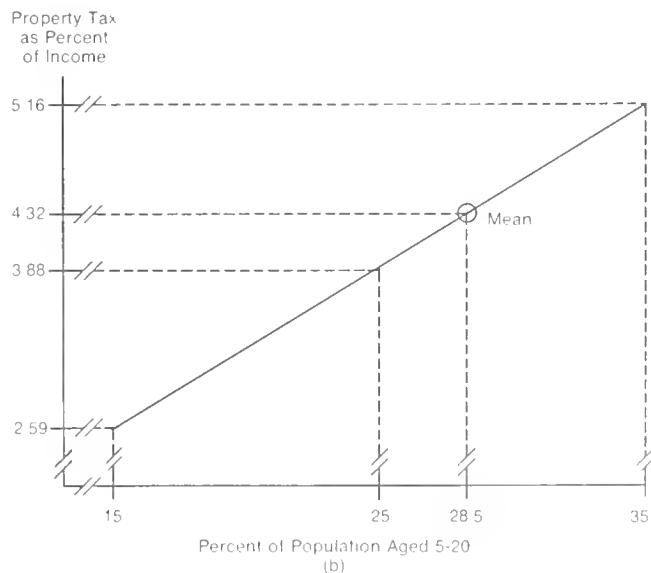
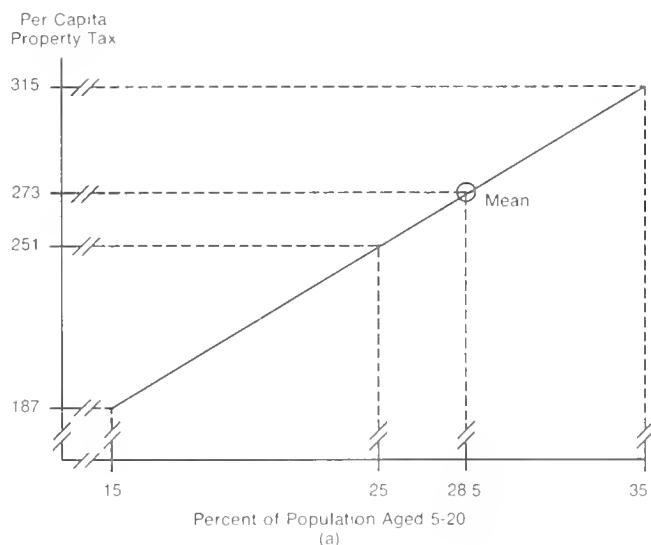
The results for the urbanization factor are significant. Urbanization lowers property tax burdens. Compared with the \$273 per capita property tax burden at the average urbanization value of 43.1 percent, property taxes range from \$309 in the typical 100 percent rural county to \$239 in the 100 percent urban county. As a percent of income, property taxes range from 4.93 percent of income to 3.51 percent of income.

Two reasons for this relationship emerge as most likely. For one, urban counties rely more heavily on other revenue sources — utility taxes, parking revenues, sales taxes — than rural communities. The other is that public services relying most heavily on the property tax, roads and schools in particular, are most subject to the economies of urbanization. Whatever the reasons, people in urbanized areas tended to pay less property tax in 1977 than their rural brethren.

### Federal and State Aid

The effect of aid to local units of government on property tax levels is clearcut and consistent with economic notions about the behavior of governments. Increased aid to local governments has resulted, in part, in increased services in the typical Illinois county — the stimulative

Graph 2:  
AGE DISTRIBUTION AND PROPERTY TAXES



**Table 5**  
**PROPERTY TAXES AND INCOME IN 1977**

County Per Capita Income	Estimated Per Capita Property Tax	Property Tax as % of Income
\$5,000	\$233	4.67%
6,000	254	4.24
6,485	272	4.20*
6,510	273	4.20**
7,000	297	4.24
8,000	360	4.50
9,000	445	4.94

\* Minimum tax as a percent of income occurs at income of \$6,485

\*\* Tax percentage at the mean county per capita income of \$6,510

effect — and in part in property tax reduction — the substitutive effect

The results of this analysis suggest that 36 cents of each dollar in aid went to property tax relief in 1977 and 64 cents to something else. That something else might have been other tax relief or increased services. To the extent that increased services result, the aid would be termed stimulative. It should be noted that these findings reflect changes in gross aid. They do not offer interesting conclusions about the impact of specific aid programs that may be of the block or matching variety.

#### Per Capita Income

Last, but not least, are the results of the analysis showing the relationship between income and property tax burdens in Illinois counties in 1977. In this case property tax burdens are (relatively speaking) the highest in the poorest and the richest counties. The property tax burden is relatively small in counties with average incomes. These findings are reported in Table 5.

Because the relationship between income and taxes was obviously different, special techniques had to be employed to sort it out. The techniques are those of "non-linear analysis." Note that the relationships displayed in Graph 3 are not straight lines as they were in the earlier graphs.

The tax-income relationship shows up in Part (a) of Graph 3 as follows: As county per capita income increases in the low range (from \$4,000 to \$6,000), per capita taxes increase only slightly (\$233 to \$254). In the upper ranges of income, however, the opposite is true. As income increases about 12 percent (from \$8,000 to \$9,000), the per capita taxes increase a whopping 24 percent (from \$360 to \$445).

Part (b) of the graph shows these relationships directly in percentage terms. Note that as income increases in the lower range, the percentage of that income going to property taxes declines. Beyond the average per capita income of \$6,510 in 1977, however, the percent of that income going to taxes increases.

Here too the significance of the results is not clear. To some they may suggest propositions involving the unfairness of it all. Others may look to the effect of income on the demand for services. Still others will look more closely at details of the total tax structure. The only certain conclusion is that, other things equal, it is cheaper in

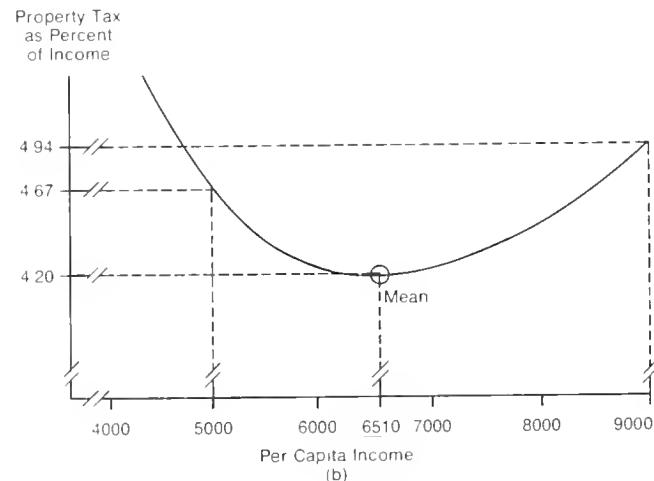
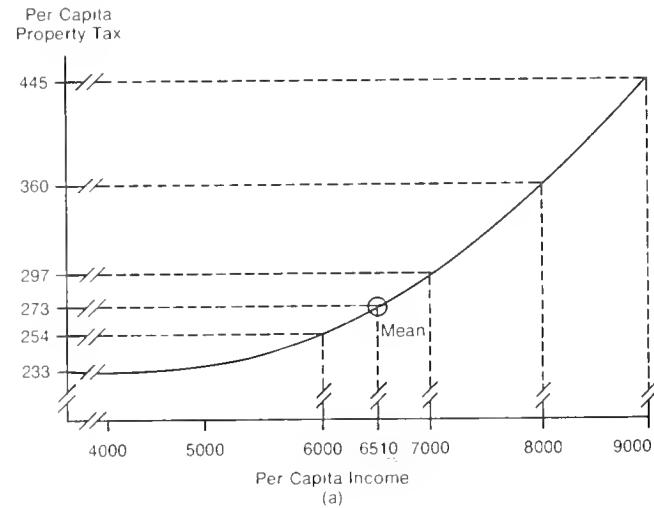
terms of property taxes to take one's income and live in a county with per capita income in the neighborhood of \$6,500.

#### SUMMARY IMPLICATIONS

The purpose of this study has been largely descriptive. It attempts to show how various social and economic attributes — income, urbanization, etc. — affected the level of property taxation in Illinois counties in 1977. The principal conclusions were that counties relying on agriculture and manufacturing, and counties with high school age population tended to pay higher than average property taxes. People living in urbanized counties or bedroom counties, other things equal, tended to have a below average burden of property taxes. Predictably, state and federal aid tend to reduce property taxes. Finally, people in wealthy and poor counties faced property tax burdens relatively greater than people living in middle income counties.

The implication of these findings for future develop-

**Graph 3:**  
**PER CAPITA INCOME AND PROPERTY TAXES IN 1977**



ments in property taxation are not clear at this point. The current governor and legislature will actively consider legislation designed to limit the growth of property taxes in Illinois. Other legislation designed to change the distribution of property taxes will undoubtedly surface. It is unclear how the findings of this study may influence those considerations.

Undoubtedly, people favoring a property tax break

for agriculture will be led to cite these findings as evidence that their burden is constantly too high and in need of a break. Manufacturers may be led to suggest that this study supports their contention that the tax climate is not favorable to the attraction of business to Illinois. Beyond that, one can only hope that the findings will afford more reasonable decisions about property taxes in the years ahead.

#### **NOTICE TO OUR READERS:**

From time to time it is useful for editors of newsletters such as this *Illinois Government Research* to hear from their readers. They need to hear whether or not their publication is serving a useful purpose for the individual reader and whether there are comments out there that they ought to be hearing.

We are, therefore, using this opportunity to ask if a recent issue has dealt with a topic in a way that you found particularly interesting, troublesome, or enlightening. We do not contemplate starting a "Letters to the Editor" column, but an occasional statement could perhaps be published.



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## COORDINATING CETA PROGRAMS IN ILLINOIS: RESPONSIBILITY VS. AUTHORITY

Michael B. Preston

It is further the purpose of this Act to provide for maximum feasible coordination of plans, programs, and activities under this Act with Economic Development, Community Development, and related activities, such as Vocational Education, Vocational Rehabilitation, Public Assistance, Self-Employment Training and Social Services Programs

(CETA Reauthorization Act of 1978)

Prior to 1973 the federal government planned, designed, and funded manpower programs, and left it up to states and localities to implement the federal plan. This created a two-fold dilemma. On the one hand, there were many who felt the federal manpower programs were not effective, in part because they were not responsive to state and local manpower needs. On the other hand, it was clear that in order to obtain federal funding, state compliance was necessary. The result was that states and localities frequently chose to go ahead with the programs but in a manner that met state defined needs first and federal guidelines second.

The Comprehensive Employment and Training Act of 1973 (CETA) was designed both to rid the system of its defects and to increase the effectiveness of state and local manpower programs. While the federal government maintained a strong directive role, as well as fiscal responsibilities under CETA, the program decision-making component was given to localities. The states also shared in this change, because they were given responsibility for program planning in rural sections of the state not covered by the localities. Moreover, the states were assigned the important role of coordinating the state manpower network — particularly non-CETA private and state agencies.

The purpose of this paper is to describe and analyze how effective the state of Illinois has been in coordinating employment and training programs mandated under the CETA legislation. To accomplish this task, we shall discuss briefly some of the key elements of the legislation, as well as describe the administrative mechanism used by the state to coordinate the intergovernmental CETA system. Second, we shall explain why the ability of the state to influence other actors in the manpower system is limited more by political considerations than by administrative devices.

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## CETA LEGISLATION AND IMPLEMENTATION

In its original form, the 1973 CETA legislation stressed a comprehensive, decentralized approach in contrast to the earlier system of multicategorical programs. The intent of the legislation was to provide training and employment for the economically disadvantaged, the unemployed, and the underemployed, and also meet the goals of self-sufficiency and improved employment opportunities. These services were to be delivered through a decentralized, block grant system in which the federal role was limited to fiscal oversight and monitoring responsibilities. The federal government also set the national objectives, priorities, and performance standards, and provided technical assistance and research opportunities. The ultimate goal was the establishment of a federal-local partnership.

CETA was designed primarily as a manpower training program (work experience, classroom training, on-the-job training, and supportive services). In 1974 public service employment was added in response to nationwide, high unemployment levels, and the fiscal crisis faced by local governments. In 1978 approximately \$9.9 billion was spent on CETA programs, including \$2.5 billion on comprehensive employment and training services, \$1.5 billion on youth programs, and \$5.9 billion on public employment.

The authority for planning and administering manpower programs was transferred to so-called prime sponsors.\* CETA grants were to be awarded to the chief elected officials of each prime sponsor area. The prime sponsors were then responsible for assessing their own labor market and training needs, and for developing policies and goals to meet these needs. They were also to design their own programs, select their service delivery agents, and allocate funds for their communities. This authority made them fairly autonomous actors in the manpower puzzle.

More problematic from the very outset was the nature of the states' role. Some public officials favored giving the states major responsibility for comprehensive planning and technical assistance. Others felt the states had been negligent in their earlier manpower responsibilities and that the proposed role would undermine the concept of local control and decentralization. The CETA legislation provided a middle ground, directing that funds be given to the governors for (a) supplementing vocational

\* Prime sponsors are cities and counties over 100,000 or any combination of governmental units equal to that number. In Illinois there are twenty prime sponsors including the balance of state.

education services, (b) coordinating and funding special statewide manpower services; (c) providing linkages between prime sponsors and education agencies, (d) staffing and supporting a statewide manpower advisory council; and (e) serving as prime sponsor for the balance of state (BOS), those areas not covered by other units of government.

While the states were given the responsibility of coordination and oversight, they were not given the corresponding legislative authority to intervene in local prime sponsors' program activities nor to force coordination with non-CETA manpower agencies. A description of Illinois's manpower system will begin to demonstrate how this confusion over responsibility and authority has affected the state's role in the CETA system.

#### **THE CETA SYSTEM IN ILLINOIS\***

Figure 1 delineates the divisions in the CETA system and shows their relationship not only to one another but also to other parts of the overall manpower system. Five aspects of the system are of particular importance and deserve individual consideration.

#### **The Department of Commerce and Community Affairs (DCCA)**

DCCA has assumed responsibility for coordinating and planning all manpower programs on behalf of the governor and the state of Illinois. Through its State Manpower Division, DCCA staffs the Illinois Employment and Training Council (IETC) and works with the IETC, CETA prime sponsors, and manpower-related state agencies to catalog various manpower programs, identify issues to reduce service duplication, and improve overall performance in the manpower field.

#### **BOS Prime Sponsor Division**

In contrast to the local government prime sponsors mentioned earlier, which have a good deal of autonomy,

\* The information in this paper is drawn primarily from Illinois Commission on Intergovernmental Cooperation, *The Comprehensive Employment and Training Act (CETA): A Critical Issue in Intergovernmental Relations*, Research Memorandum No. 64, May 1979, Springfield, Illinois. Other data are drawn from my unpublished manuscript on "The Politics of Manpower in Illinois."

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## **ILLINOIS GOVERNMENT RESEARCH**

Institute of Government and Public Affairs

University of Illinois

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The Institute of Government and Public Affairs of the University of Illinois is committed to research, service, and teaching in the area of governmental affairs. As part of this mission the institute publishes on an occasional basis *Illinois Government Research*. Each issue brings to the attention of concerned citizens and officials some aspect of public policy research. Although most items are written by institute staff members, manuscripts by other authors will be considered for publication. In each case the views expressed are solely the responsibility of the author and do not reflect institute policy or imply institute endorsement.

the rural areas are under the control of the state and are called the balance of state (BOS). The BOS Prime Sponsor Division provides advice on goal setting, policies, and procedures, and makes recommendations regarding program plans, provides continuing analysis of employment and training needs, monitors BOS manpower programs, and gives objective evaluations of manpower programs. Because of the diversity in population and geographic areas, the Illinois BOS has a radically different planning assignment than do the other prime sponsors.

#### **The Regional Manpower Committees BOS Advisory Council**

Each of the nineteen regional manpower committees (RMC) has broad-based community representation from business, labor, elected officials, community-based organizations, private citizens, and client groups. Their responsibilities are threefold: planning, monitoring, and evaluation. Each RMC makes recommendations to the BOS Advisory Council regarding manpower programs and services that will best meet the needs of its region. The RMC then monitors the delivery of some of the CETA titles by doing on-site visitation, reviewing status reports from the program agent, and providing technical assistance through the manpower planner. The third component of the RMC role, evaluation, has not been fully developed.

#### **Program Agents**

The program agent is directly accountable for the range of services provided to clients in each region and for the adequacy of services provided for each subcontractor.

#### **The Illinois Employment and Training Council**

The IETC is the linchpin of the state's employment training system. It is a body created to advise the governor with respect to employment and training policy in the state. The council is composed of representatives of the twenty prime sponsors, selected state agencies — the employment service, welfare department, vocational rehabilitation services, and state board of vocational education. Also on the board are representatives from labor, business, educational agencies, and one representative for the BOS Advisory Council.

One of the basic purposes of IETC is that of coordination. It is supposed to develop manpower policy guidelines, review state agency and prime sponsor plans, and to submit an annual report to the governor. A basic weakness of the IETC is its inability to influence local prime sponsor plans. The IETC has been unable to get DOL to "pay attention" to its recommendations on changes needed in some of these local plans. One of the problems is that the DOL has consistently failed to publish plan preparation guidelines in time to allow prime sponsors to transmit the plans to the relevant agency (in Illinois the IETC council) for review. In fiscal year 1976 DOL commented on the IETC's recommendations only after the fiscal year had started. In FY 77 DOL responded promptly but glossed over the pragmatic problems articulated by the council.

From an organizational standpoint, then, the state has established a CETA intergovernmental system to coordinate training and employment policy. The critical element here concerns the concept of coordination.

on a statewide basis for specific labor market areas. Also, the report recommended a more efficient information collection process from individual prime sponsors. In the meantime, an internal problem within the IETC staff had developed that lessened the effect of these recommendations. Interviews with the staff revealed that the members of IETC were not completely aware of previous attempts to make policy to improve coordination. Each time there was a change in staff leadership or state administration, earlier data were thrown out, and the IETC would start from scratch.

In 1978 the council once again reassessed its situation and concluded that it should be the forum for the Illinois employment and training community. It would set basic goals, identify employment and training needs, and seek improvements in the state's manpower delivery system. To better coordinate policy, the council sought to develop a consistent decision-making process regarding employment and training services, to work towards consistency of those decisions with statewide goals, and to develop a statewide coordinated plan for services.

It should be pointed out that the IETC has over the years achieved a small degree of coordination by providing a forum where the diverse groups that make up the state manpower network can meet and discuss their differences. Participation and any subsequent action, however, is voluntary, and IETC's greatest tool remains the act of persuasion. In short, the council's uncertain role and the ambiguity of authority limits its effectiveness as a statewide coordinator.

#### **Assumption 3: Coordination can be achieved through the use of discretionary funds.**

Discretionary funds are of several types: 4-percent funds under section 105; 6-percent vocational education funds (3.5 million/year); 1-percent linkage funds (4.6 million in FY 78). While the authorized use of these funds varies, the overall intent of the discretionary funds is to meet specific state needs in the areas of:

- traditional training and education,
- elimination of unnecessary duplication in service delivery,
- technical assistance and information exchange systems,
- collection and dissemination of labor market data,
- and special model and demonstration programs

These funds provided Illinois with the opportunity to meet its coordinative role, if used creatively. They might have been used to design and test innovative programs that met state manpower needs and which could have been instituted on a statewide basis.

Instead, Illinois's allocation of its discretionary funds has been very casual. The state has done very little to evaluate the use of its 6-percent discretionary funds and has been criticized by the Department of Labor for this deficit. Its use of 4-percent funds has been even less exemplary. A report from the National Governors' Association showed that the average state allocation to other state agencies was 45.8 percent of the funds received. For Illinois the figure was 65.8 percent. Such an over-commitment of funds to state agencies lends credence to the assertion that the procedure for distributing the funds was based more upon political considerations than upon legislative criteria. The DOL has given Illinois a rating of "serious problems" in its use of 4-percent funds noting administrative deficiencies in its personnel system,

affirmative action, and grievance plans. Moreover, the state has not seized the leadership opportunity available to it to promote creative and innovative programs within the manpower field.

State officials, on the other hand, have argued that federal funding is inadequate. They argue that in FY 78, the prime sponsors in Illinois received \$419 million in funds to run their programs, the state \$12 million. Only \$3.5 million of the 4-percent funds were specifically designated for use in the development of a coordinated manpower network. Compared to other state administrative funds these are small. In the final analysis, they argue, the level of funding controls the scope of the manpower effort.

#### **Assumption 4: Illinois has the political and administrative support needed to develop a comprehensive manpower policy.**

The state has not developed a comprehensive manpower policy to date and is not likely to do so in the immediate future. The IETC has neither the political nor administrative support needed to develop such a policy. Politically, the IETC has suffered from role ambiguity and has not received strong support from either DOL or the governor's office. Their request that local prime sponsors make certain changes in their policies and programs have not been supported by DOL. As a result, prime sponsors often do not share their reports with DCCA nor do they change their programs according to state directions. The state has no direct authority or veto power over these local program decisions.

From an administrative standpoint, the frequent reorganizations of the GOMHD has meant low morale and high staff turnovers. These staffing difficulties have led IETC to "reinventing the wheel" with each change in administration. A comprehensive CETA policy is not likely where political support is lacking and administrative expertise is limited.

This brief review of the assumptions made by the National Manpower Commission on the role of the state as coordinator of statewide CETA programs suggests that the role is founded more on administrative rationality than on political feasibility. Indeed, the basic reason why the state is not a more effective partner is because the federal CETA legislation did not really design an effective, authoritative, or financially sound role for the state.

## **AGENDA FOR THE FUTURE**

The Illinois Employment and Training Council has developed what is known as "Action Agenda 80," a response to the desperate need for statewide employment and training coordination in Illinois. The report contains five policy recommendations. The first deals with the issue of coordination of resources. IETC sees itself collecting and analyzing data which describe the current allocations for employment and training programs and then reviewing the planning processes, strategies, and effectiveness of each. In this process, IETC believes three things will be accomplished: 1) employment and training resources will be measured in terms of dollars and services provided, 2) the services provided will begin to be related to specific employment and training problems, and 3) the services delivered will actually address the problem they were created to solve.

## COORDINATION

One aspect of coordination is the identification of common elements in a system or program. It does not aim at the elimination of unique elements. Nor does it imply the definition of one common objective or that only one approach is correct. Finally, coordination does not presuppose the elimination of all duplication since, in many instances, duplication is appropriate and necessary. In the area under consideration here, coordination includes the identification of common goals and objectives among the various pieces of manpower legislation and manpower related programs. Thereafter, it attempts to interrelate the mix and delivery of services towards these common objectives without sacrificing individual program goals or requirements. From an administrative standpoint, the coordination of manpower and related programs should therefore, be pursued only where it will result in improved services or an increased benefit from available resources.

The CETA legislation gave the states the important role of coordinating CETA programs. Indeed, the prestigious National Commission for Manpower has suggested several reasons why the position occupied by the states in this area of coordination is so critical:

First, many manpower programs are planned, administered, and operated by state agencies. Second, the State Manpower Service Council (IETC in Illinois) can review and recommend to all manpower agencies within the state how their services could be more effectively delivered. Third, special CETA grants to the governor provide funds to encourage and assist coordination efforts throughout the state. Finally, under CETA the state is responsible for assuring the cooperation of all state agencies in developing and implementing comprehensive manpower services.

This suggests that the states could or ought to be effective partners in the CETA intergovernmental system. But the assumptions underlying each statement do not conform to the reality of the situation in Illinois (or in other states for that matter). We shall examine each of these assumptions below.

### Assumption 1: States have the legislative and financial authority to coordinate the state's manpower agencies.

In an attempt to carry out their mandate, the Governor's Office of Manpower and Human Development (GOMHD) allocated funds to the Bureau of the Budget (BOB) for an appraisal of the CETA system. The bureau concluded that there were major legislative and administrative barriers among agencies in the manpower network that reduced coordination. One such barrier is different or inconsistent definitions of important terms like target populations, fiscal years and planning cycles, program guidelines, bases for program monitoring and evaluation, program terminology, and reporting forms and procedures. The problem is compounded by the fact that there are other state agencies in the manpower network, such as the Illinois Bureau of Employment Security (BES), the Illinois Department of Labor (IDOL), the Division of Vocational Rehabilitation (DVR), and the Department of Public Aid (DPA). All are funded by federal revenues, but each uses a different definition of client eligibility, units of service, and substate regions.

The fact that each agency has different federal funding requirements is a further indication of the fragmentation that exists at the state and federal level. The DPA's WIN program is funded under HEW with legislative authorization under the Social Security Act. DVR is also funded

under HEW, but a different division. Bureau of Employment Security (BES), IDOL, and CETA all receive funds from the federal DOL but from different divisions. For example, BES is funded under the Wagner-Peyser Act while CETA's funds are from general revenues. This diversity in lines of authority and funding creates diversity and inconsistency at the state and local level.

The basic problem with this assumption, then, is that while the state has the authority to initiate action, its ability to influence state agencies and other actors in the manpower network is hampered by a multiplicity of eligibility requirements and a confusing array of funding sources.

### Assumption 2: The Illinois Employment and Training Council is an effective mechanism for coordinating statewide manpower programs.

In Illinois, the IETC serves as the coordinating arm for the statewide CETA network. The State Manpower Services Division acts as staff for the council. The function of the IETC, as stated earlier, is to advise the governor, the state, CETA prime sponsors, and other employment and training providers on coordination, commitment, and utilization of manpower resources. However, the IETC's role as coordinator of statewide manpower policy has been, since its inception, somewhat uncertain.

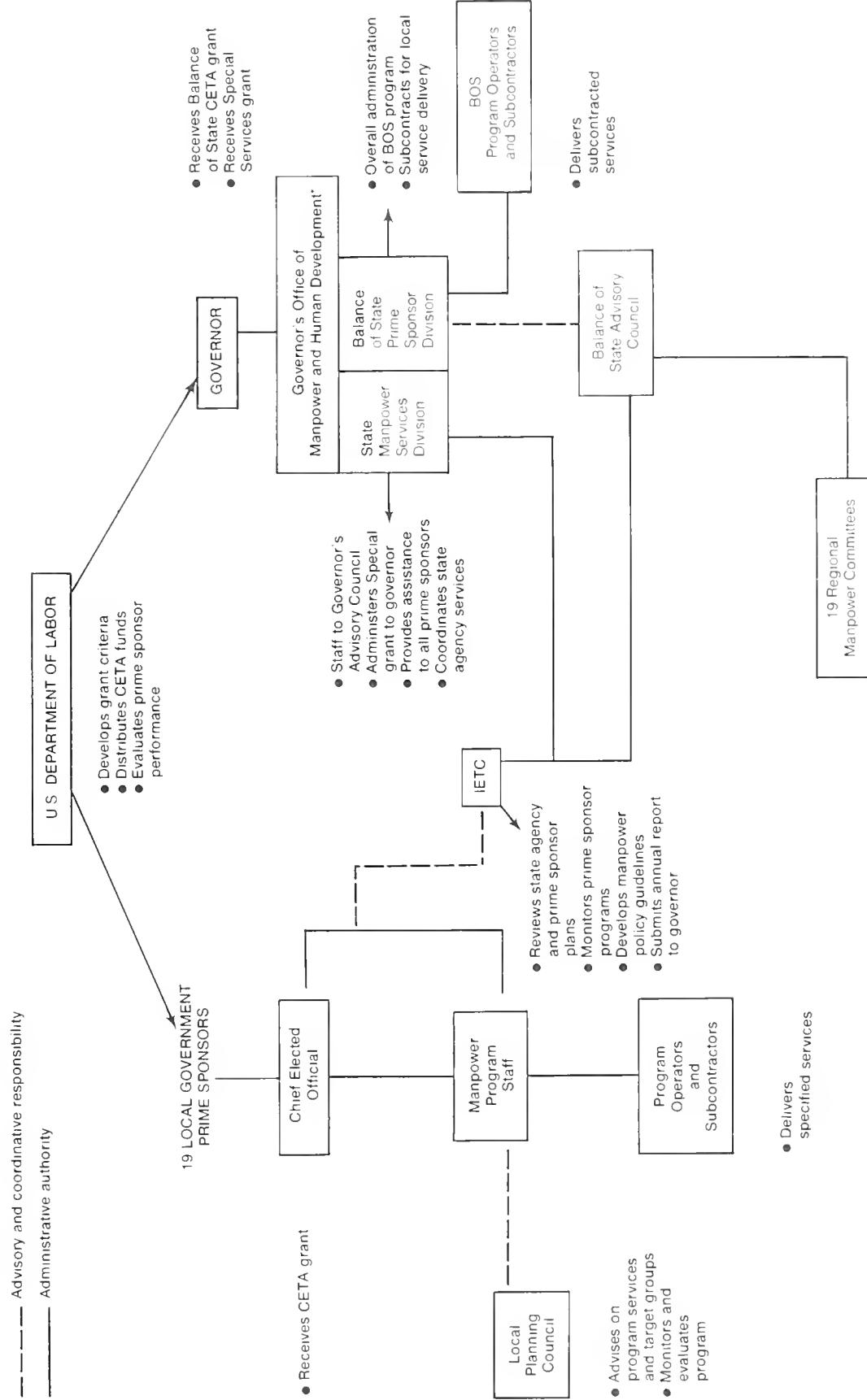
One reason why the IETC has not been more influential is that instead of making recommendations concerning the special CETA statewide grants as planned, or recommending statewide manpower policy, it has allowed itself to be used for routinely approving GOMHD (DCCA) decisions. Part of the explanation for the council's actions is that DCCA has not provided adequate staff so that the IETC could gather reliable data on which to base decisions.

The IETC's annual report for 1978 indicates that the council is clearly aware of these problems and has made recommendations to the governor toward their resolution.

The inability of the IETC to establish a comprehensive manpower policy has been especially hampered by high staff turnover and low staff morale. Frequent reorganization of the GOMHD and changes in leadership at the top of the agency has meant a loss of morale and expertise. The lack of a well-defined purpose has also seriously hampered the IETC's ability to establish a comprehensive statewide CETA policy.

A review of IETC's activities since its inception will help to demonstrate this. Following the first program year (July 1, 1974-June 30, 1975), a questionnaire was given to those state agencies that had manpower-related services in order to discover their budgetary levels and functional roles. The results of the survey pointed up deep-rooted problems of coordination. In 1976 policy recommendations were made in selected problem areas, such as labor market information systems and job placement coordination. Inadequacies in these areas, it was believed, resulted in unnecessary duplication of manpower services. However, the recommendations were not implemented, primarily for two reasons: lack of council and GOMHD influence to enforce decisions on other agencies, and a changeover in GOMHD staff and state administration. In response to this lack of implementation, the 1977 report to the governor recommended that the council be given more monitoring power over state agencies, more authority for coordination and utilization of resources among prime sponsors and state agencies, and the establishment of a total employment and training system.

**Figure 1**  
**CETA INTERGOVERNMENTAL STRUCTURE  
 AND RELATIONSHIPS IN ILLINOIS**



Source: Illinois Governor's Advisory Council on Manpower, *Manpower Report to the Governor*, August 1975, p. iv-17

\* Since October 1, 1979, part of the Department of Commerce and Community Affairs

The second policy recommendation deals with special target groups who experience a significantly higher incidence of unemployment and underemployment than others — youth, blacks and other minorities, women, handicapped, the elderly, and offenders. There are several problems connected with this recommendation. For one thing, there is no unified body of information that might help determine the size, makeup, and location of these target groups, or the severity of their need. Moreover, there is not even a consistent definition of these target groups across the manpower network.

The third recommended policy addresses the issue of labor market information, which in Illinois is available only on a statewide basis, and thus fails to take into account the large variations that exist in the state. A more efficient labor market system is needed, one that provides accurate, reliable, current data, more organization around units of local government; detail of client characteristics, and quick distribution of data. The council believes that they can have a definite impact if these recommendations are agreed upon by the governor.

#### CONCLUSION

The state has not been effective in coordinating statewide CETA programs for several reasons. First, the congressional legislation gave the states "responsibility" but not the "authority" needed to coordinate statewide programs. For example, prime sponsor plans cannot be vetoed by the state. Thus, state officials were put into a position where they could only urge voluntary cooperation upon those whom they wished to persuade. This proved to be an unreliable mechanism for cooperative action.

Second, state agencies over whom the state does have some control often suffer from bureaucratic inertia. They do not feel that the value of interagency cooperation has been demonstrated. In their view, benefits are not given for establishing linkages, but for how well their departments achieve the goals assigned to them. Third, state agencies have different organizational structures and boundaries that inhibit cooperation. To alter these boundaries is to tamper with political power bases that have evolved over time. Unless the cost is low, governors are not likely to make enemies just to attain better interagency cooperation.

Finally, the state lacks the staff capability to develop a comprehensive manpower policy. The information needed to make decisions on a statewide basis is inadequate, as is the ability of the staff to know what other state agencies are doing in the manpower area. In brief, if federal policymakers really desire certain outcomes, they must be willing to provide the means to achieve them.



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## LOCAL GOVERNMENTS AND PROPERTY TAXES

David L. Chicoine and Norman Walzer

The latter 1970s, especially following the passage of Proposition 13 in California, brought renewed interest in property taxes as a method of financing local public services. Discussions about property taxes have focused on burden and, more recently, on various forms of taxpayer relief. Limits on levies or increases in tax base have been imposed in some states. Such limits are met with major opposition by local government officials who claim that the rising costs of local public services are already placing considerable pressure on local resources, and further limitations will only worsen the situation.

In Illinois, as in most states, local public services can be provided through a wide variety of governmental structures. Residents in some regions of the state receive virtually all their services from general purpose governments, whereas, in other areas, special districts are quite important. Since each of these types of government has its special way of obtaining revenues, the amount of property tax collected may be quite different. Moreover, residents desiring additional services may find that certain governmental structures offer greater input into decisions about the level of services provided and, therefore, the amount of revenue that must be raised. Finally, the same aggregate expenditure can be financed from many different revenue sources, one of which is the property tax. Thus, it is not unlikely that two counties with the same aggregate expenditure for services would have very different property tax collections. One of the significant factors accounting for these differences is the governmental structure.

This paper seeks to shed light on the role that governmental structure plays in property tax collections, using 1977 Census of Governments data for Illinois counties. No attempt is made to justify or critique certain types of government as being more efficient or preferable to others. Rather, the concern here is whether more complex delivery systems lead to higher property taxes and, if so, how much higher. This paper is organized into two parts. The first section discusses recent changes in government structure, some of the reasons for these changes, and their implications for local finance. The second section reports an empirical analysis of determinants of property tax collections.

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### A MULTITUDE OF GOVERNMENT TYPES

In 1977 the U.S. Bureau of the Census counted 6,620 units of government in Illinois, of which 5,522 could levy property taxes. This number compares with 5,246 local governments in Pennsylvania, the state with the second largest number, of which 3,282 had property taxing powers. A profile of Illinois governments is provided in Table 1 with a comparison of changes between 1962 and 1977. During this fifteen-year period, two main trends occurred. First, as the result of a massive consolidation effort, there was a 31 percent decrease in the number of school districts from 1,540 in 1962 to 1,063 in 1977.

**Table 1**  
**LOCAL GOVERNMENTS IN ILLINOIS**

Types of Governments	1962	1977	Percent Change
Counties	102	102	0.0%
Municipalities	1,251	1,274	1.8
Townships	1,433	1,436	2
School districts	1,540	1,063	-31.0
Special districts	2,126	2,745	29.5
Fire protection	620	770	24.2
Highways	13	23	76.9
Health	18	22	22.2
Hospitals	37	33	-10.8
Housing and urban renewal	107	97	-9.3
Libraries	16	91	468.8
Drainage	852	877	2.9
Flood control	18	33	83.3
Irrigation water conservation	4	4	0.0
Soil conservation	99	90	-9.1
Parks and recreation	179	321	79.3
Sewerage	76	151	98.7
Water supply	34	68	100.0
Utilities (other than water)	1	10	1,000.0
Cemeteries	19	88	363.2
Sewerage and water supply	4	15	275.0
Other	29	52	79.3
Total	6,452	6,620	2.6%

Source: 1977 Census of Government, "Governmental Organization," vol. 1, no. 1, Table 1.

A second and more important trend for present purposes was the 29.5 percent increase in the number of special districts from 2,126 in 1962 to 2,745 in 1977. A brief inspection of the increases, by type of district, reveals major differences in growth patterns. The greatest percentage increase was in utility districts, but, in absolute numbers, the major growth occurred in fire protection and park districts. More specifically, 150 fire protection districts and 142 park and recreation districts were added. Sewerage districts and library districts also increased markedly.

Statewide the net increase in number of governments during the fifteen-year period ending in 1977 was only 2.6 percent, because the decrease in school districts was largely offset by the increase in special districts. Had the reduction in school districts not occurred, the growth in number of governments would have been nearly 30 percent.

Comparing numbers of governments can be misleading since larger states usually have more units. A clearer picture is obtained by comparing Illinois with other states using ratio of governments to population. In Illinois, for instance, there was one government for each 1,691 residents. Rather than having the most governments per resident, Illinois ranks about seventeenth among states. Not unexpectedly, rural states have more government fragmentation. North Dakota, for example, has one government for each 235 residents. At the other extreme, Alaska reported one government for each 45,684 residents. Overall, the national average was one government for each 2,668 residents based on total number of governments, including those without property taxing powers.

Of course, statewide averages of government ratios do not capture intrastate differences. Cook County contained one government for each 9,692 residents while Iroquois County, in eastern Illinois, contained one government for every 191 residents. In some instances, multiple districts overlap a city. Thus, Springfield residents are served by fifteen independent or semi-independent governments. Residents in one Chicago suburb of 13,000 are served by sixteen separate governments, including multiple school districts and townships.

#### Reasons for Special Districts

Why has there been such a proliferation in the number of special districts in Illinois during the past fifteen years? One explanation commonly proposed in the past suggested that it is due to an attempt to escape state-imposed tax and debt limits. When general purpose governments reach taxing and debt limits, a new unit of government with its own taxing limits is created.

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Providing services through special districts offers several advantages to certain residents. First, those interested in a specific service do not have to compete with other services for budgetary consideration. The effective limit on services provided is the amount of money that can be collected from property taxes or other revenue sources.

Second, a special district providing a specific service allows interested residents to monitor more closely the services provided and to tailor programs to their liking. Interested residents can serve on the governing board with a relatively small commitment of time and effort but with a significant impact on services provided. Such service also offers residents an opportunity to participate in government, gain prestige in the community, and perhaps advance their careers in the private sector. Businesses value participation by their employees in public affairs and often count these activities toward promotion.

Third, special districts permit extension of services beyond the boundaries of general purpose governments. Rural residents desiring fire protection can obtain services through a fire protection district that includes a municipality and the surrounding hinterland. The same is true for sewerage treatment and disposal. In some instances, particularly fire protection, a special district is virtually the only way rural residents can finance services.

Finally, there may be some services with high fixed costs which can only be provided effectively by reaching a certain scale. Reaching this output size may require provision of services to residents outside the limits of a general purpose government. In the past, governments experienced difficulty initiating cooperative arrangements, and sometimes special authorizing legislation was required to implement these agreements. In these cases, special districts offer decided advantages. Along the same lines, a claim can be made that inefficiency in the provision of services is likely with smaller, more numerous governments because budgets are not large enough to pay well-qualified employees. Also, cost savings from large purchases may be less likely. Because of data limitations, however, research findings on this efficiency question have been mixed.

If single function districts have the described advantages, why have there been attempts to limit their use or consolidate them? There are several situations in which special districts, particularly those overlapping other governments, experience limitations. First, as a city increases in population size, its needs for services change. Officials in a fire protection district that included a small municipality when it was created, may find that twenty years later city residents desire a full-service fire department although rural residents do not.

Second, a city may grow through annexations in such a way that it is served not only by its own municipal fire department but also by one or more special fire protection districts. The outcome of this scenario is confusion among residents about who provides which services and to whom. Cost savings may be possible from a better sharing of equipment and manpower in these instances.

There is also a view that a large number of small independent governments makes voters less able to identify which government is causing tax increases and, therefore, less likely to hold public officials accountable. For instance, when small governments each levy a property tax, the tax bill contains a multitude of tax rates; and, until recently, taxpayers could not easily determine which districts they were supporting. Moreover, since each special purpose district represents a small part of the aggregate tax bill, local officials are less reluctant to increase their levies.

## SPECIAL DISTRICTS AND PROPERTY TAXES

In recent years, the property taxes collected by special districts have been increasing more rapidly than those collected by other governments. A comparison of growth in aggregate property taxes collected by type of government between 1974 and 1976, for example, shows that taxes collected by special districts increased 24.3 percent compared with 11.4 percent for cities, 13.6 percent for counties, 15.1 percent for school districts, and 22.4 percent for townships (including road districts).

Although the rate of increase for special districts may have been greater than other governments, they remain a relatively minor portion of the property tax collections statewide. In 1977, for instance, special districts (excluding school districts) accounted for only 11.5 percent of property tax collections in Illinois. Over the past twenty years, the proportion of taxes collected by special districts has increased several percentage points.

To analyze the impact of governmental structure on the collection of these property taxes, a least squares regression equation was estimated using 1977 *Census of Governments* data for all Illinois counties except Cook.

Based on the above discussion, it is now possible to suggest several reasons why numbers of governments and governmental structure might affect per capita property tax collections. First is the limited number of revenue sources available to certain government types. School districts and townships depend heavily on property taxes, while counties and municipalities are less reliant on this revenue source. Cities, counties, and townships have access to some intergovernmental revenue sources which special districts do not. For the same aggregate expenditure, one might expect areas with more special districts to have higher property tax collections.

Secondly, if special districts in Illinois have been used to circumvent property tax limitations, then areas with more special districts could be expected to collect more property taxes. Of course, in this case, the higher tax collections could simply reflect additional services. About the only practical way to adjust for services is to control for aggregate per capita expenditures but this is only a gross estimate of services provided.

Finally, if it is true that more governments levying property taxes confuse residents and lead to less accountability, then one could find areas with a larger number of governments having higher property tax collections.

To determine the impact of number of governments on per capita property taxes collected in Illinois counties, the following equation was estimated:

$$Ptax = a + b_1INC + b_2IGR + b_3EXP + b_4MFG + b_5GOV + b_6AGE + b_7SCH + u.$$

where:

Ptax = Per capita aggregate 1977 property tax receipts in Illinois counties

INC = Per capita income in 1977

IGR = Per capita intergovernmental revenues

EXP = Aggregate per capita expenditures by local governments in the county

MFG = Percent of county employment in manufacturing

GOV = Number of taxing units per 10,000 residents in the county

AGE = Percent of residents 65 years and older

SCH = Percent of population enrolled in public schools, 1977

The rationale for each variable in the equation is provided as follows:

— Per capita income was included to adjust for wealth in a county. Residents in counties with higher per capita incomes are better able, and may be more willing, to pay property taxes to support desired services. For high-income families, property taxes may represent a more desirable method of financing services since homes with high market value are known to be under-assessed. Also, property taxes are deductible against federal income taxes. Thus, one could easily find a positive association between per capita property tax receipts and income levels.\*

— Percent of people 65 years and older was included to test whether aged residents exert a limiting effect on property taxes. It is commonly thought that retirees are particularly hard hit by property taxes (although circuit breakers have helped recently) and tend to resist tax increases. Aged residents also do not need certain local services, such as schools, which are heavily financed by property taxes. Thus, one would expect a negative association between property tax collections and the percentage of aged residents.

— The number of elementary and secondary school children enrolled in public schools, as a percent of the county population, was included to adjust between counties for demands placed on schools. Since schools receive almost half of their revenues from property taxes and account for nearly 60 percent of the property taxes collected statewide, one would expect counties with more students to have higher property tax collections.

— Comparisons of property tax collections across counties necessitate adjustments for services provided. If no attempt is made to correct for differences in services, then higher property tax collections may simply reflect more services. Since services are nearly impossible to measure directly, per capita expenditures were included as a proxy. For present purposes, the ratio of local public employment to population was used to replace per capita expenditures with similar results.

— The number of taxing units per 10,000 residents was included to determine whether the number of governments providing services makes a difference with respect to property tax collections. Using the arguments outlined above, one would expect to find a positive association between number of governments and per capita property tax collections.

— Per capita intergovernmental aid was included to test the impact of this revenue source on property taxes collected. One might hypothesize that additional intergovernmental revenues allow local officials to lessen their reliance on property taxes, especially when local taxpayers resist these taxes. *A priori*, at least part of additional intergovernmental support would be expected to be used for property tax relief and a negative relationship between this variable and property tax collections is anticipated.

— For citizens and government officials alike, the opportunity to transfer a portion of the property tax burden is very attractive. Thus, counties with relatively more of their property tax base in commercial property might be expected to have higher per capita property tax collections. Unfortunately, detailed information on assessed valuation by class of property is not available in Illinois so that a direct test of this proposition is nearly

\* A more complete examination of the relationship between income and property taxes in Illinois was recently reported by A. James Heins in *Illinois Government Research*, 51, available from the Institute of Government and Public Affairs.

Table 2

## DETERMINANTS OF PROPERTY TAX COLLECTIONS

Variable	Per Capita Collections	
	Regression Coefficient	Beta
Per capita income	051*	
	(3.56)	32
Intergovernmental aid	-354*	
	(-3.39)	-29
Per capita expenditures	320*	
	(5.37)	37
Percent manufacturing employment	312	
	(65)	04
Taxing units per 10,000 population	1,864*	
	(2.82)	24
Percent aged	-6,961*	
	(-2.53)	-23
Percent in public schools	519,760*	
	(3.01)	19

\* Significant at the 1 percent level

Constant -154.94

R<sup>2</sup> adjusted .65

S E E

F-ratio

58.01

27.95

an average of \$6.96 per resident less than other counties. With available data, it is not possible to determine whether aged residents desire fewer services or oppose property taxes in principle. However, the negative association holds even after aggregate expenditures are considered.

A third relationship, and the most interesting for the present discussion, is between property taxes and number of taxing units. A significant and positive relationship was found. Counties with one taxing unit per 10,000 residents above the mean collected \$1.86 more per resident in property taxes. Thus, more governments mean higher property tax collections when the aggregate expenditure by governments in the county is the same. The magnitude of the coefficient, however, is relatively small.

The most likely explanation for this finding is that counties with a larger number of governments include more single function districts which have less access to intergovernmental revenues and nonproperty tax sources. The positive relationship also supports the view that special districts were established for the purpose of circumventing property tax limits. Which effect is the more important cannot be determined directly with existing data.

One must take care in attaching policy interpretations to this finding. Property taxes represent one method of financing services. If the property tax happens to be unpopular, some will argue that additional services will be more difficult to finance, and growth in government is constrained. Even though property taxes have been criticized heavily in the past, they continue to represent the most significant revenue source for local governments.

Readers should not interpret a correlation between more governments and higher property tax collections as evidence of inefficiency in the provision of services. Nothing has been said in this analysis about the per unit cost of providing services. To comment on the efficiency question would require more detailed data on services.

Now that we have listed the things that the findings do not show, what can we list that can be learned from this analysis? The most revealing finding is the fact that governmental structures (or at least numbers of governments) do make a difference in property tax collections. Residents have a choice regarding the types of taxes they wish to pay and the services they desire. By moving to areas with more taxing units, residents are likely to find higher property taxes for similar expenditures.

Understanding the impact of governmental structure on local public finance is important given present efforts by state governments to impose controls on local expenditures and property taxes. In the past, adding new governments served as a method for bypassing property tax limitations on local governments. The findings presented here suggest that those attempts may have worked.



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## TAX INCIDENCE: PROPERTY TAXES, INCOME TAXES, AND EQUITY

J. Fred Giertz

Property tax has been the major source of revenue for local governments in the United States from the beginning, and it remains so today in both the nation and in Illinois. Despite its longevity, it is still a controversial tax. It is controversial in regard to its relative importance among the array of various state and local taxes, its administration, its effect on business activity and industrial location, and especially, in regard to the distribution of the ultimate burden of the tax. Despite its use over the course of several decades — even centuries, there is still substantial controversy among economists and confusion among the public about who bears the burden of the property tax.

The purpose of this report is to clarify the issue of the incidence of the property tax as compared with alternative revenue sources, especially the state income tax. An understanding of the distribution of the burden of the existing property tax and the effects of changing the level of taxation is vital in evaluating possible policy alternatives, such as the full or partial replacement of local property taxes which finance schools with an increase in the state income tax. Obviously such choices involve many other considerations in addition to the incidence of the various taxes, yet incidence questions are of crucial importance and the focus of much public debate.

### TAX INCIDENCE AND EQUITY: AN OVERVIEW

An analysis of tax incidence deals with the question of who pays the ultimate cost of a particular tax or of the tax system in general. The difficulty in analyzing incidence questions is that the person or organization legally responsible for the tax and its remittance to the government may shift part or all of the cost to others in the economic system. The possibilities for such shifting are numerous and often very complex. For this reason, the analysis of the distribution of the cost of the tax among the members of society is much more complicated than simply looking at who makes actual payment to the government.

Most incidence studies begin with an explanation of the shifting of the tax through the economic system. The final burden of the tax on individuals is then related to their incomes to ascertain whether the tax is regressive, proportional, or progressive. For a regressive tax, the tax burden as a percentage of income decreases as income increases. It should be noted that a regressive tax does not mean nec-

essarily that low-income persons pay more than high-income taxpayers, only that those earning a low income pay a larger percentage of their income in taxes. For a *proportional tax*, the tax rate remains constant as income increases, that is, individuals of all income levels pay the same proportion of their income in taxes. For a *progressive tax*, the percentage of tax paid increases as income rises. Not only do high-income individuals pay more with a progressive tax, they pay at a higher rate.

It should be emphasized that the base for making calculations as to regressivity or progressivity is income and not the legal base of the tax itself. For example, the state sales tax is a flat rate tax based upon retail sales whereby all income levels pay the same percentage on each purchase. This tax is not necessarily proportional, however. People of different income levels spend differing proportions of their incomes on taxed items making the sales tax slightly regressive rather than proportional.

The analysis of tax incidence is an exercise in economic analysis that attempts to explain the distributional effects of an existing or proposed tax. The results of such studies can then be used to address the question of tax equity. While incidence analysis is an attempt to explain "what is" or "what might be," equity considerations deal with the question of "what should be." Tax equity questions intrinsically are normative or ethical in nature and involve the value judgments of decision makers. They can never be settled completely by the results of technical studies such as incidence analyses, although such studies should play an important role in the decision-making process.

### THE PROPERTY TAX

The property tax in Illinois is a tax based upon the value of real property: the value of land and its improvements. In recent years, the Illinois property tax system has moved away from the concept of a truly general tax on property — one that taxes all assets at a uniform percentage of actual value. The tax base has been narrowed for a variety of reasons. Property owned by various levels of government and property owned and used for educational, charitable, or religious purposes have always been exempt from taxation.

The taxation of personal property has been eliminated in Illinois over the last decade. Personal property refers to all property other than land and the improvements on land. It includes such items as automobiles, furniture, tools, and machinery and business inventories. A constitutional amendment passed in 1970 eliminated personal

property taxes on individuals, while the constitution of 1970 contained a provision that effectively eliminated the tax for business personal property for assessments beginning in 1979.

In addition to the removal of personal property from the tax base, other provisions have reduced the effective rate of taxation for some real property based upon its ownership or use. Elderly homeowners receive a homestead exemption which reduces assessed value. Elderly homeowners and renters, as well as the disabled, may qualify for "circuit breaker" subsidies if their property taxes (or 30 percent of rent for renters) exceed 4 percent of household income. All homeowners receive a limited exemption of up to \$3,000 for increases in assessed value over 1977 levels. In addition, there are other special provisions for the disabled and for home improvements as well as differential assessment practices for agricultural land. Cook County, under a constitutional provision, classifies property for assessment purposes based upon its use. Residential and agricultural property is assessed at a lower proportion of actual value than other classes of property.

The property tax differs from such taxes as the sales or income tax in that its base is not determined by a market transaction. Instead, the tax base is the assessed value as determined by local assessors. In Illinois outside of Cook County, property is supposed to be assessed at 33½ percent of fair cash price. In actual practice, assessment ratios (assessed value divided by market value) vary widely both within and among counties. Intercounty differences are dealt with through a statewide equalization procedure.

Once the assessed value is set, tax liability is determined by multiplying the tax rate times the base of the assessed value for each piece of property. The rate is not determined solely by any one unit of government. The final rate is the combined rate independently set by many different local governments. Over five thousand jurisdictions have property taxing powers in Illinois with any one piece of property subject to taxation by many different governments, such as counties, school districts, townships, and municipalities as well as many special purpose districts. The property tax is by far the most important source of tax revenue for local governments. In Illinois, it accounted for over 80 percent of local tax revenues in 1977. For most local governments including public schools, it is the sole source of tax revenue over which they have direct control.

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### The Incidence of the Property Tax

The view of economists concerning the incidence of the property tax has changed considerably. Traditionally, the property tax has been viewed as a regressive tax. The burden of the tax was thought to be borne by the occupants (either renters or owners) of residential property and by the customers of businesses which were taxed. Since low-income families were believed to spend a larger proportion of their income for housing and other items reflecting the effect of the tax as compared to high-income families, the tax was therefore considered regressive. Recent empirical research has suggested that even with this traditional view of incidence, the property tax is much less regressive than was formerly believed.

The new view suggests that the property tax (as it affects the nation) lowers the rate of return on all property and not just the property directly taxed. If this is the case, the burden of the tax would fall on the owners of capital in general and thus would make the tax progressive. The two approaches are not incompatible. Each is applicable to a particular circumstance and relevant for certain policy questions.

### THE TRADITIONAL VIEW OF INCIDENCE

The traditional view of property tax incidence makes a distinction between the effect of the tax on land and the effect on the structures on the land. The tax on land was considered to be borne by the owners without any shifting. Since land is basically fixed in supply, the imposition of a tax on land will not elicit any response in terms of a reduction in the quantity of land supplied. This means there is little, if any, possibility of shifting the burden.

The effect of the property tax on other assets was thought to be very much like that of an excise or sales tax on the services of those assets. For example, a property tax levied on rental structures would lower the rate of return on investments in rental housing, so that the immediate burden would fall on the owners of existing rental structures. Since rental housing — unlike land — is not fixed in the long run, the reduced rate of return would discourage new investment and would eventually lead to a contraction in rental housing stock which would lead to higher rents. This increase in rents would, after some time, effectively shift the burden of the tax from the owners to the renters. A similar process would take place in the case of business property. The tax on assets other than land would be shifted to the consumers of the firms' products by way of higher prices. With owner-occupied housing, the tax would not be shifted, since owners would bear the entire tax burden as owners of the land and consumers of the housing services.

Under the traditional view, the incidence of the property tax can be summarized as follows. (1) tax on owner-occupied homes is borne by the owner, not shifted, and is distributed among income classes according to how housing values as a percentage of income vary with income levels; (2) tax on rental housing is shared by owners and renters with the owners bearing the tax on land and the renters paying the tax on the structures; and (3) tax on business property is shared among the owners and the customers of the business with the owners paying the tax on the land and the customers, through higher prices, bearing the remainder of the tax with the burden being distributed according to the purchases of the taxed firms' products.

## THE REPLACEMENT OF PROPERTY TAX REVENUE WITH ALTERNATIVE REVENUE SOURCES

An increase in the state income tax (both individual and corporate) is often suggested as a source of revenue to finance a reduction in local property taxes. It is important to know the incidence of these taxes for a meaningful evaluation of this option.

The analysis of the incidence of a tax on the income of individuals is considerably less complex and controversial than that of the property tax. With little shifting possible, the individual income tax is largely borne by the persons paying the tax. In general, an income tax provides considerable potential flexibility in regard to the degree of progressivity or regressivity through the variation in marginal tax rates by income and through exemptions and deductions.

Income taxes in Illinois are the most important source of state revenue with combined individual and corporate collections slightly exceeding sales tax collections. At the same time, the state's income tax system is rather tightly constrained by constitutional provisions. Thus the tax is limited to nongraduated rates — at present it is 2½ percent — which eliminates one element of potential progressivity. Some progressivity is introduced into the system through the \$1,000 per person exemption. This flat dollar amount means that low-income taxpayers exclude a larger percentage of their income than high-income persons. Higher-income individuals have the advantage of the deductibility of the tax from their federal tax base. An Advisory Commission on Intergovernmental Relations (ACIR) study for 1977 estimates that the tax in Illinois is fairly progressive through lower income ranges with little progressivity above the \$10,000 to \$15,000 range.

In comparison with the property tax, the individual income tax tends to be more progressive at very low income levels, but it is probably less progressive in higher income ranges. A change away from the property tax to the income tax would probably not greatly change the overall progressivity of the state and local tax system.

One important consideration in regard to the income tax is that, while the rate of taxation at the state level is relatively modest, this tax is effectively added to the federal personal income tax and the payroll tax which finances social security to yield a very high combined marginal tax rate for many taxpayers. Public opinion surveys in the early and middle 1970s consistently found the property tax to be the least fair tax in the economy, with the income tax considered the most equitable. Today that is no longer the case. Another ACIR study has revealed

that the federal income tax is now considered the worst, or least fair, tax. This would seem to bode ill for increases in the state income tax which relies substantially on the same base as the federal tax.

The analysis of the incidence of taxation on corporate income is more complex and controversial among economists than the analysis of the property tax. For present purposes, it is sufficient to say that an increase in this tax would very likely have incidence effects much like those of the property tax. The movement from property taxation to corporate income taxation would probably have relatively little overall effect on incidence.

## CONCLUSIONS

Conclusions about the incidence of the property tax as compared to the income tax in Illinois may be summarized as follows:

- 1 A synthesis of the traditional and new views of the property tax suggests that a reduction in the statewide average rate of taxation would largely benefit property owners and consumers in Illinois and not the rest of the nation.
- 2 The incidence of the existing property tax when based upon permanent income is proportional or slightly progressive except at very low-income levels. A reduction in the tax would increase slightly the regressivity of the state and local system.
- 3 While the overall incidence of the state and local system would not change dramatically if the tax were eliminated, property owners would experience substantial and often capricious gains and losses.
- 4 Any major administrative change in assessment for property tax purposes would have results similar to the elimination of the property tax. Thus a gradual change toward the desirable goal of property assessed at a uniform percentage of actual value would seem worth pursuing, although it should be noted that much of the recent dissatisfaction with this tax has been generated by reassessment procedures designed to produce such uniformity.
- 5 The individual income tax in Illinois is progressive at low-income levels while roughly proportional at high-income levels.
- 6 The replacement (either full or partial) of the property tax with an increase in income taxation would not dramatically change the overall incidence of the tax system. After such a change, the combined system would likely become somewhat more progressive at very low-income levels while becoming less progressive at high-income levels.

For a small area such as a city, the older view of the tax as an excise is more appropriate. For example, a small city that naively accepted the new view might raise property taxes with the expectation that most of the burden would fall on the owners of capital in other jurisdictions and thus have little effect upon the taxpayers in the city itself. This would not be true, however. Raising property tax rates in an isolated locality will reduce the rate of return on capital in that jurisdiction below the rate available in other areas. This would force the outmigration of some capital thereby driving up the cost of locally produced goods in the area, including housing services. In this case, a change in one small area has incidence effects for the jurisdiction very much like the traditional view where increases or decreases in property taxes are borne by the owners of immobile local capital and the consumers of locally produced goods and services.

In summary, the new view of the property tax as a burden on all capital is the appropriate approach for analyzing a change, such as the reduction of the average rate of property taxation across the whole nation with replacement income coming from the federal government. The traditional view is more appropriate, however, if a city or school district is deciding on an increase or decrease in property tax rates.

This raises the important question under consideration here. What would be the effect of a statewide reduction in property tax rates in a large state such as Illinois? The answer is that it would involve a combination of the two views. There would be local excise effects along with a certain amount of shifting of the benefits of lowered taxes to capital in general across the nation. On balance, the excise effects would likely dominate. A reduction in statewide property tax rates would attract a certain amount of capital into the state which would raise the rate of return (at least slightly) in other parts of the country. Some of the benefits of the tax reduction would, therefore, spread to areas beyond the boundaries of Illinois. However, this effect would be swamped by the excise effects of lowered prices within Illinois of locally produced goods and services, including housing services. In addition, the owners of capital within the state would experience a windfall gain from the change.

This conclusion that the excise effects dominate the effects on capital is very important for policy purposes in considering a statewide reduction in property taxes. If most of the effects of lower property taxes in Illinois were shifted to the owners of capital outside the state, such a plan would obviously be ill advised. Such is not the case, however. While some fraction of the benefits will go beyond the boundaries of the state, most of the benefits would go to property owners and consumers within the state.

#### The Capitalization of the Property Tax

One source of potential inequity in property taxation is the variation within districts of the ratio of assessed value to actual value. If similar property is assessed at varying percentages of actual value, this would violate the principle of horizontal equity which calls for the equal treatment of equals. In addition, if different types of property have different assessment ratios (for example, if expensive houses are assessed at a lower percentage of actual

value than less expensive homes), this would have implications for vertical equity as well.

Since variations in assessment ratios resulting from either intentional or unplanned actions by property tax administrators are a source of unfairness, it would seem that their elimination would improve the equity of the system. While a gradual movement in this direction is very likely desirable, a sudden elimination of the differential would probably have some unforeseen consequences. To examine this problem, it is necessary to determine who gained and lost when the variations in assessment came into being and who would gain and lose with their elimination.

If two identical pieces of property of equal value were for some reason assessed at different values, the owner of the overassessed property at the time of the assessment would experience a loss while the other owner would experience a gain. If these differences were to continue indefinitely, they would eventually be reflected in the values of the two pieces of property. This process is called *capitalization*.

The higher taxed asset now has a continuing tax liability attached to it which is greater than the tax bill attached to the similar property assessed at a lower rate. If these properties are sold, the price of the assets will reflect the differing tax liability with the higher taxed property selling at a lower price than the more lightly taxed one. In this case, the property tax differential has been capitalized in the value of the assets.

What are the effects of the differential taxes and their capitalization? The major effect is that the owners experience a gain or loss at the time the differential is established. A person who subsequently buys lightly taxed property will be forced to pay a higher price (which reflects the future stream of tax savings) than will a purchaser of heavily taxed property (whose value is depressed because of the expected heavy future tax burden). The second-generation owners receive no special benefits, nor do they bear any special costs of the differing assessments since these differences were accounted for in the values of the two assets.

This has implications for the unexpected elimination of such differences also. If the assessment variations were eliminated, the present owners of the properties would experience windfall capital gains or losses. The present owner of the lightly taxed asset loses the tax advantage which the previous owner captured in the selling price of the property. Likewise, the owner of the highly taxed property would experience a windfall gain which would not be passed on to subsequent owners.

This idea of capitalization applies to changes in the property tax system as well. Many of the changes that reduce taxes will be appropriated by the present owners through increased property values and will not be passed on to subsequent owners. For example, the favorable special, long-lasting differential treatment of agricultural land in regard to property taxation will largely be captured by the present owners through increased land value. In the future, people who wish to buy agricultural land to go into farming will not be helped by the change at all. Their lowered taxes will be offset by the higher cost of land. This same idea holds, to a certain extent, for many other changes, including a general statewide reduction in property tax rates.

Using this approach, the incidence of the tax has been viewed as regressive. This conclusion is based on the following assumptions: (1) housing as a percentage of income declines as income increases, thus placing a greater burden (measured as a percentage of income) on low-income homeowners than on high-income individuals; (2) rent as a percentage of income is higher for low-income families than for high-income ones, and (3) low-income consumers spend a larger percentage of their incomes on goods and services (which reflect the tax on business property) than do high-income consumers. These excise effects, which contribute to regressivity in the tax, were believed to more than offset the progressive element of the tax related to land ownership.

Even among those who accept this approach, there have been suggestions in the last decade that past estimates of incidence have significantly overstated the degree of regressivity of the tax. Much of this criticism relates to the use of annual incomes of taxpayers as the standard for computing incidence estimates as opposed to long-term measures of income. There is much economic research suggesting that family decisions about consumption and savings are strongly influenced by long-term income expectations (referred to as permanent income) as opposed to the actual income received during a particular twelve-month period. For example, families which experience temporarily lowered incomes because of illness or unemployment normally do not make major changes in their consumption behavior. These families seem to bear a disproportionately heavy property tax burden. Their tax burden would appear much less onerous, however, if it were compared to their permanent income.

In addition, it has been found that family expenditures for housing and other goods and services as a percentage of permanent income (as opposed to annual income) do not vary a great deal among various income levels. On the average, families of different income levels spend approximately the same percentage of their permanent income for housing and other items which reflect the property tax in their prices. This means that even if the tax is distributed according to the traditional view as an excise on housing and consumption, it is more likely a proportional or slightly progressive tax when incidence is based upon a long-term measure of income as opposed to a regressive tax. A note of caution is needed here, however. If housing owned or rented by low-income families is assessed at a significantly higher percentage of market value than that owned by high-income families, these conclusions would not obtain.

#### THE NEW VIEW OF INCIDENCE

While the traditional view of the property tax has not been abandoned, it has been modified to a significant degree by research in the last decade. This research has focused on the effect of the property tax on capital investment decisions and has concluded that the burden of the system of local property taxes in the United States falls much more heavily upon capital than was once believed.

This can be explained in a general way by examining the effects of a hypothetical national property tax of a uniform rate on all property. Such a tax would have the effect of lowering the rate of return on all capital investments. It should be noted that a relatively low percentage

rate of taxation on the value of an asset can have a very substantial impact on the percentage yearly return on the property. Since all types of property in all locations are taxed uniformly in this hypothetical system, there is very little the owners of capital can do to shift the burden of the tax. In this circumstance, the tax would be distributed as the income from capital is distributed. Since the percentage of income derived from capital generally increases as incomes rise, such a tax would be sharply progressive except at very low income levels because some low-income taxpayers have substantial property holdings.

In addition, there might be some long-term effects of the tax if it affects personal decisions about saving. If saving and investment are reduced because of the reduction in the rate of return caused by the tax, there might be a reduction in productivity resulting in lowered wages. This sequence, however, is the subject of considerable controversy and is yet to be resolved.

Obviously, the property tax system in the United States is not a truly national system but a decentralized one with varying bases, assessment practices, and rates. Some modification of the results presented for the hypothetical national system is, therefore, necessary. When the effective rates vary among districts, the short-run effect would be that the owners of property in high tax rate areas would clearly bear a greater burden than those in more lightly taxed jurisdictions. This would not necessarily remain true in the long run, however. To the extent that capital is mobile, the differing rates of return on capital in different areas caused by the local property taxes would induce a reallocation of investment.

Capital would tend to move from higher taxed areas into jurisdictions with lower tax rates. This movement of capital from high to low tax rate locations would eventually tend to equalize the aftertax rate of return among the various areas. The increase in the supply of capital in lighter taxed areas would reduce the rate of return there while the rate of return in areas with higher taxes would rise because of the exodus of capital. This process effectively shifts some of the burden from the high tax jurisdiction to all owners of capital through the equalization of aftertax rates of return. On immobile assets such as land, this shifting process could not take place, and the burden would remain with the original owners. For a series of many local taxes, this is very much like the consequences of the hypothetical national property tax discussed above whereby the major burden is borne by the owners of all capital with the property tax system markedly progressive in incidence.

#### A SYNTHESIS AND RECONCILIATION OF THE TWO VIEWS

In assessing and comparing the two views, it would seem that they are almost diametrically opposed in their conclusions. This is not the case, however, since each view is valid in a particular context and for particular policy questions. The new view is particularly relevant for analyzing the effects of a major change in the property tax over a broad geographic area such as the nation. Thus, a decrease in the average rate of taxation for the nation as a whole would reduce the progressivity of the tax system by reducing the burden borne by the owners of



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## REGULATING HOSPITAL FACILITIES CONSTRUCTION: THE ILLINOIS EXPERIENCE, 1975-79

Charles E. Begley and David C. Colby

In 1974 Illinois became the twenty-fourth state to enact legislation requiring hospitals and other health facilities to acquire certificates of need (CON) before proceeding with large capital projects or significantly changing services. This act created the Illinois Health Facilities Planning Board (IHFPB) whose thirteen citizen members are appointed by the governor. The board has the authority to review and approve all construction and modification projects costing in excess of \$100,000, all substantial changes in scope of services or number of beds, and all discontinuations of facilities or services. According to the Illinois Revised Statutes, Illinois lawmakers hoped that the CON program would "reverse the trends of increasing costs of health care resulting from unnecessary construction," while at the same time "guarantee(ing) the availability of quality health care to the general public."

The rationale for government regulation of capital in the health care industry is based on the judgment that existing incentives for capital spending have generated excessive investments in capacity. This market response is due, in part, to the unique cost-reimbursement method of payment for hospital and nursing home services which guarantees that most costs accrued in the provision of services, including capital costs, will be recovered. The payment problem is compounded by pressure from physicians and the general public to raise the "quality" of medical services by the acquisition of the most advanced medical equipment or the construction of the most modern medical facilities. Patient demand for the "best care available" is encouraged by increasingly broad insurance coverage which insulates patients from the true cost of that care. The most recent coverage figures indicate that in 1979, 187 million people, or 85 percent of the civilian population, had insurance protection for hospital expenses. This figure had grown from 159 million in 1970. The combination of such demand and supply-side factors had created a perverse market for medical care in which the availability of medical equipment and facilities largely guarantees their utilization (a phenomenon called Roemer's Law). This situation was the most

important reason for the development of a certificate of need program in Illinois and is one of the main justifications given for its continuation.

In the present political climate, reform or elimination of the certificate of need program is a distinct possibility. At the national level, the deregulatory movement has led to attacks on the program by officials in the Reagan administration, who claim it is ineffective in containing capital spending and impedes competition in the industry. In the 1980-81 session of the Illinois General Assembly, legislation was introduced that would have abolished the program. Although unsuccessful, the proposed bill reflects the controversy surrounding the program within the state. As the debate continues, at both the national and state level, it is a good time to examine the experience of the Illinois program. This article does that by analyzing the decisions made by the certificate of need program on hospital proposals from 1975 through 1979 and by examining some evidence of the program's impact. In the first section, we present an overall summary of the program's approval rate in terms of the number and percent of projects approved, withdrawn, denied, and modified; in the next section, we describe the types of projects which the program favors; and in the final section, we discuss some evidence of the program's impact on hospital bed supplies. The complex process by which CON decisions are reached in the state is not addressed in this paper so that we may focus on the results of the process and its possible impacts.

### THE RATE OF PROJECT APPROVALS

Table 1 presents the disposition of hospital certificate of need applications by year for the study period 1975-79. For the entire period, the board received 1,059 applications totalling nearly \$2.7 billion. This figure represents proposed capital spending on all hospital projects that exceeded the threshold for project review (\$100,000 from 1975 to July 1979 or \$150,000 after July 1979). The number of proposed projects and their costs varied from year to year. There is no discernible pattern in the annual fluctuations, but the disproportionately large amount of money and number of projects that appeared in the first year of the program probably reflects hospitals' anticipation of more stringent controls in future years. This anticipatory effect has been noted in many states as an implementation problem of CON. It suggests that the program's effectiveness in containing capital spending will be diminished

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**Table 1**  
**SUMMARY OF CON DECISIONS: PROJECTS SUBMITTED 1975-79\***

Year	Total Applications		Approved				Withdrawn				Denied				Under Review			
	No	Total Cost	No	Per-cent	Total Cost	Per-cent	No	Per-cent	Total Cost	Per-cent	No	Per-cent	Total Cost	Per-cent	No	Per-cent	Total Cost	Per-cent
1975	226	\$932,442	210	92.9	\$829,026	88.9	13	5.6	\$83,362	8.9	3	1.3	\$20,053	2.2	0	0	\$ 0	0
1976	172	230,567	161	93.6	224,508	97.4	10	5.8	4,575	2.0	1	6	1,484	6	0	0	0	0
1977	213	527,254	184	86.4	410,260	77.8	27	12.7	99,796	18.9	1	5	0	0	1	5	17,198	3.3
1978	174	327,961	154	88.5	306,015	93.3	20	11.5	21,947	6.7	0	0	0	0	0	0	0	0
1979	274	679,357	241	88.0	614,309	90.4	26	9.5	37,746	5.6	1	4	20	0	6	2.2	27,282	4.0
Total	1,059	\$2,697,581	950	89.7	\$2,384,118	88.4	96	9.1	\$247,426	9.2	6	6	\$21,557	8	7	7	\$44,480	1.6

\* Dollar amounts are in thousands of dollars

ished during the early years as providers attempt to gain approvals before the program is fully implemented Elsewhere, we have described the anticipatory effects that occurred prior to changes in the regulations especially prior to the major changes in July 1979. These latter anticipatory efforts did not greatly increase spending but shifted the focus of investment Thus, this anticipatory effort is not apparent from the aggregate figures Fluctuations in other years probably reflect normal investment cycles in the industry which are not influenced by the certificate of need process. These investment cycles are determined by numerous factors including the age of the facility, the year when the hospital received Hill-Burton funds, Medicare and Medicaid regulations, and the patterns of technological innovation.

The board approved almost 90 percent of all proposed projects at a total cost of nearly \$2.4 billion. The approval rate also varies somewhat from year to year, but there is no discernible time trend despite many changes in the certificate of need law, board membership, review criteria, and the review process. The overall high approval rate indicates the board's unwillingness to disapprove projects. Of those projects not approved, most were withdrawn some time during the review process. Some projects were withdrawn because of the likelihood of their ultimate denial. Others were withdrawn for reasons that have nothing to do with the review process. Only a handful of projects that completed the review process were actually denied: the overall denial rate for the study period was less than one percent of the total applications.

The board's unwillingness to deny projects does not necessarily imply that the program has simply rubber stamped the industry's investments. An extremely tough CON program may have a 100 percent approval rate while successfully constraining capital growth by discouraging the submission of unacceptable projects or by modifying projects during the review process. If and to what extent the Illinois program is constraining capital growth in the industry, it must result from the program's deterrent effects. In other words, if we are to believe that the program is effective despite the high approval rate, we must assume that inappropriate applications are eliminated during both the pre-review and the review stages but prior to the final decision. Unfortunately, approval rate data do not capture these effects, and therefore, they are ambiguous indicators of the program's success or failure.

Illinois' high approval rate is fairly typical for all states. In a survey of twenty states conducted in 1974, Lewin and Associates observed an average approval rate of 93.7 percent of all projects and 90 percent of dollar costs proposed. The Bureau of Health Planning has reported that thirty-two states approved 100 percent of all projects submitted during the first six months of 1979 while only seven states approved less than 90 percent. Finally, for the fiscal year ending June 30, 1980, the bureau reported an average approval rate of 90 percent for all states with certificate of need programs.

It has been argued that high approval rates reflect deficiencies in the availability and application of review criteria and are, therefore, subject to decline with the maturity of the program. Indeed, many states have only recently initiated their programs and have had little time to develop plans and criteria. The implication of this assertion is that approval rates should fall over time. The data for Illinois do not support this hypothesis. The approval rate in this state has remained relatively stable over the study period, despite the fact that the program has gained considerable experience with its planning methodology and review criteria. If the program has in fact become more effective over the years, it ought to be reflected in the number of projects deferred or screened out by the review process. This number is difficult if not impossible to calculate.

In summary, the Illinois program appears to approve nearly all projects which complete the review process. This high approval rate, however, has remained fairly stable over the years and is not out of line with the experience of other states. The cost containment potential of the program apparently lies in its deterrent effects on

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**Table 3**  
**AVERAGE CHANGE IN NUMBER OF BEDS  
PRE- AND POST-CON**

	1971-75	1975-79
<i>Average Change in the Number of Beds (All Counties)</i>		
Total	2,297	1,880
Average	27.02	22.11
Standard error	12.61	12.96
<i>Average Change in the Number of Beds (All Counties Except Cook, DuPage, and Lake)</i>		
Total	1,100	796
Average	13.58	9.83
Standard error	4.61	7.06
<i>Average Change in the Number of Beds (Cook, DuPage, and Lake Counties)</i>		
Total	909	887
Average	303.00	295.50
Standard error	238.01	216.52

counties. In sum, the bed change data show that the overall average increase in general care beds was lower after 1975 than before, but this difference is insignificant when considering the large variability among the counties in the bed change figures.

One explanation for the inter-county variation in bed changes is the differences in the need for additional beds. Evidence on whether CON has adjusted the relationship between bed need and bed supply is provided by comparing the growth pattern of general care beds to the estimated need for such beds as projected by the State Health Plan. The most recent bed need estimates are provided in the 1977 and 1980 State Health Facilities Plans. Comparison of the two years indicates little improvement in the distribution of beds during the period

Table 4 summarizes the number of needed beds and excess beds for four different categories identified in the plan, which covers fifty-three regions of the state. The data indicate that the number of needed beds has actually increased since 1977, as has the number of hospital service areas with shortages. At the same time, the number of excess beds has declined, albeit marginally. The number of hospital service areas with surpluses has also declined, as has the percentage of total service areas with surpluses (except in one category).

These findings suggest that the relationship between community need and hospital expansion has not been dramatically improved by the certificate of need program. Although the rate of increase in short-term general bed supplies has declined and the actual number of excess beds has declined slightly since certificates of need were instituted, there remains a gross surplus of all types of beds in most areas of the state; in some areas there is a severe shortage of beds. In its short time of existence, the CON system was apparently better able to reduce excesses than to reduce deficiencies. Undoubtedly, this is because CON provides only negative incentives and has no means to direct investments toward underserved areas.

## CONCLUSION

The experience of the Illinois certificate of need program provides no simple answer to the question: Did CON achieve its goals of cost containment and access to health care? Examination of the outcome of certificate of need decisions indicates a very high approval rate, but this rate is not inconsistent with other states and does not necessarily imply that the program has been overly generous to the industry. While approving a high percentage of the proposed projects, the CON process may constrain capital spending indirectly by deterring investment plans and by negotiating modifications which reduce costs of projects. On the other hand, it appears that the program stimulated or redirected investment through anticipatory effects in the early implementation phases. It is clear that the program tends to discriminate against new facilities but to some extent this is justified by the excess supply of beds that exists in the state. The high approval of expansion projects for existing facilities, however, cannot be justified given the already existing surplus in most areas.

On the average, fewer additional beds have been added during the four years after implementation than during the four years before. The variability between counties, however, was so great as to make the average reduction statistically insignificant. Moreover, after implementation of certificate of need, increases in hospital beds apparently occurred in counties identified as having a surplus and not in counties identified as having a need for new beds. Consequently, the number of excess beds in the state has declined only marginally as have

**Table 4**  
**CORRELATION BETWEEN THE SUPPLY OF  
HOSPITAL BEDS AND THEIR NEED**

State	1977		1980	
	Beds Needed	Excess Beds	Beds Needed	Excess Beds
Intensive care units	98	767	82	816
Medical-surgical	641	7,719	783	7,610
Obstetrics	123	1,323	160	1,278
Pediatrics	109	1,770	114	1,414
Total	971	11,579	1,139	11,118
<i>Number of Hospital Service Areas with Shortage or Surplus Beds</i>				
Intensive care units	14	43	14	38
Medical-surgical	19	44	19	37
Obstetrics	8	56	7	54
Pediatrics	11	50	17	37
Total	52	193	57	166
<i>Percentage of Hospital Service Areas with Shortage or Surplus Beds</i>				
Intensive care units	21.9	67.2	24.6	66.7
Medical-surgical	29.7	68.8	33.3	64.9
Obstetrics	12.5	87.5	12.3	94.7
Pediatrics	17.2	78.1	29.8	64.9

hospital investment plans and its negotiations with applicants during the pre-review stage and the review process. Although there are no good measures of these effects, an examination of the types of projects approved by the program provides some insight into its cost containment potential.

### THE TYPES OF PROJECTS APPROVED

Evidence from previous studies suggests that decision making on CON proposals has been uneven, creating a selective reward structure. For example, these studies indicate that certificates of need are less easily obtained for new facilities and for bed additions to existing facilities than they are for equipment purchases and modernization. An explanation for this selectivity is that bed need standards are more quickly developed and easily applied to project reviews than are need standards for new equipment, new services, or modernization of existing services. Information about the latter — such as their optimal use, cost, and existing supply — is much more difficult to obtain and apply to individual proposals than is information about bed needs. Unfortunately, this selectivity causes hospitals to redirect investment away from capacity expansion projects towards equipment and modernization projects which increase the capital intensity of services. Since hospitals are reimbursed on the basis of costs, this selectivity may have the perverse effect of further escalating the costs of health care to the consumer and the government.

Table 2 presents information on the Illinois program which addresses the selectivity hypothesis. The final row for each year shows approval rates for eight different categories of projects during the study period. The relative rank orderings of approval rates for the various categories over the years are similar with the exception of those for modernization which vary greatly in no pattern and those for outpatient clinics which vary with changes in the law.

Projects involving new beds construction (see column 3, Modernization/Expansion) did receive a lower approval rate (88.1 percent of the proposed costs and 86.9 percent of proposed projects) than modernization projects and equipment projects (93.2 percent of proposed costs and 90 percent of proposed projects; and 93.6 percent of proposed costs and 92.4 percent of proposed projects, respectively), but the difference between them was not significant. New facilities, however, were clearly discriminated against, having an approval rate (50.3 percent of costs) far below that of other types of projects. Hence, although the reward structure in Illinois rejects new bed proposals in new facilities it tends to approve them in existing facilities. One possible explanation for this result, given the general surplus of beds in the state, is that the board is unwilling to halt expansion entirely but considers the additional beds in existing institutions to be less excessive than their addition along with the construction of a new facility. Although both add beds and increase the costs of health care, the lower relative cost increase may be the key to approval. Another possible and less complimentary explanation is that the board's decisions are heavily influenced by the existing providers who desire protection from new competition. Both explanations are consistent with the data, and there appears to be no available method to objectively establish

the "true" one. Further discussion of the effects of this approval pattern on bed supplies in the state is provided in the next section.

Among all categories of project proposals, parking facilities and physicians' office buildings have the highest rate of approval. Prior to July 1979, the approval rate for these projects was consistently higher than for other project categories because they were not considered reviewable by the board and were, therefore, automatically approved. In July 1979, the board began reviewing such projects; but most hospitals managed to submit their applications prior to July in order to avoid the review process. These two types of projects together with outpatient clinics, which also came under review in July, constituted 43 percent of all proposed expenditures in 1979. Additionally, in 1979, almost 98 percent of the costs of outpatient clinics, 100 percent of the parking lots, and over 95 percent of physicians' offices were submitted prior to the July change in the regulations. Many of these projects can be attributed to anticipatory behavior that stimulated or redirected capital spending. If capital expenditure is stimulated, this works against the cost containment objective. If capital expenditure is redirected, then the effect on cost containment depends upon the ratio of the capital intensity of the potential investment to that of the actual investment. We have not attempted to estimate either the proportion of investments which were anticipatory or the costs of the potential, alternative investments. However, the magnitude of investments proposed in these areas raises the possibility that the CON program has stimulated investment in certain areas while deterring investments in other areas.

### IMPACT ON BED SUPPLIES

In this section, we examine evidence regarding the impact of certificate of need on the growth and distribution of hospital beds in the state. A pre-post design is adopted to compare changes in the number of hospital beds and their distribution during the four years before implementation of certificate of need (1971-75) to the four years immediately following (1975-79). Similar methodology has been used to evaluate programs in other states; (especially useful is a study on New York by E. Rothenberg). It should be noted that this approach is only one way to evaluate the impact of the program and, further, focuses on only one aspect of the program's activities.

Table 3 indicates that the overall increase in the number of nonfederal, short-term general hospital beds in the state was smaller in the four-year period after than before introduction of the program. This finding confirms the assertion that the program has been successful in slowing the rate of expansion of bed capacity. It should be noted, however, that statistically insignificant differences are observed when average changes in the number of beds for each county are compared between the two periods. This can be attributed to the large inter-county variation in the bed change figures. To eliminate some of the variability, the counties are grouped by population; the results are similar. The difference between the average change in the number of short-term beds for each county except Cook, DuPage, and Lake (the three most populous counties) was smaller in the post- than in the pre-certificate of need period, but again the difference is not statistically significant. The same result is observed when the data are applied to the three largest

**Table 2**  
**SUMMARY OF CON DECISIONS BY TYPE OF PROJECT\***

	Total Projects		Modernization		Modernization/ Expansion		Equipment		Outpatient Clinic		Parking Facilities		Physicians' Offices		New Facilities		Other		
	No.	Total Cost	No.	Total Cost	No.	Total Cost	No.	Total Cost	No.	Total Cost	No.	Total Cost	No.	Total Cost	No.	Total Cost	No.	Total Cost	
1975																			
Applied	226	\$932,442	51	\$162,057	55	\$398,926	63	\$24,573	18	\$123,378	10	\$28,791	6	\$18,330	11	\$171,355	12	\$5,031	
Approved	210	829,026	47	155,077	49	380,803	62	23,869	18	123,378	10	28,791	6	18,330	8	94,295	10	4,483	
Percent Approval	92.9	88.9	92.2	95.7	89.1	95.5	98.4	97.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	72.7	56.0	83.3	89.1
1976																			
Applied	172	\$230,567	45	\$106,686	36	\$68,244	60	\$20,216	11	\$17,935	6	\$9,996	3	\$4,573	0	0	11	\$2,918	
Approved	161	224,508	40	103,648	34	67,144	56	18,294	11	17,935	6	9,996	3	4,573	0	0	11	2,918	
Percent Approval	93.6	97.4	88.9	97.2	94.4	98.4	93.3	90.5	100.0	100.0	100.0	100.0	100.0	100.0	100.0	0.0	0.0	100.0	100.0
1977																			
Applied	213	\$527,254	56	\$243,034	27	\$188,872	91	\$39,869	14	\$22,584	4	\$8,463	8	\$7,904	2	\$12,720	11	\$3,807	
Approved	184	410,260	49	210,395	22	128,418	79	33,328	14	22,584	3	3,963	8	7,904	0	0	9	3,669	
Percent Approval	86.4	77.8	87.5	86.6	81.5	68.0	86.8	83.6	100.0	100.0	75.0	46.8	100.0	0.0	0.0	0.0	81.8	96.4	
1978																			
Applied	174	\$327,961	49	\$101,785	19	\$67,952	58	\$58,243	11	\$27,100	9	\$15,006	17	\$55,004	1	\$2,255	10	\$616	
Approved	154	306,015	45	98,649	15	63,048	52	56,552	10	26,813	8	14,342	16	45,995	0	0	8	616	
Percent Approval	88.5	93.3	91.8	96.9	78.9	72.8	89.7	97.1	90.9	98.9	88.9	95.6	94.1	83.6	0.0	0.0	80.0	100.0	
1979																			
Applied	274	\$679,357	70	\$251,542	39	\$64,742	59	\$37,518	45	\$175,166	22	\$54,819	22	\$74,630	4	\$12,292	13	\$19,649	
Approved	241	614,309	63	238,111	33	55,381	57	36,880	34	166,368	21	43,519	20	65,305	3	5,707	10	3,036	
Percent Approval	88.0	90.4	70.0	94.7	84.6	85.5	96.6	98.3	75.6	95.0	95.5	79.4	90.9	87.5	75.0	46.4	76.9	15.5	
Total																			
Applied	1059	\$2,697,581	271	\$865,104	176	\$788,736	331	\$180,419	99	\$366,163	51	\$106,075	56	\$160,441	18	\$198,622	57	\$32,021	
Approved	950	2,384,118	244	808,880	153	694,794	306	168,923	87	357,078	48	100,611	53	142,107	11	100,002	49	14,724	
Percent Approval	89.7	88.4	90.0	93.2	86.9	88.1	92.4	93.6	87.9	97.5	94.1	88.6	94.6	88.6	61.1	50.3	86.0	46.0	

\*Dollar amounts in thousands of dollars

the number of areas with surpluses. Meanwhile, bed shortages and bed shortage areas increased.

It may be concluded from these findings that the certificate of need process needs some improvements. The state must begin to develop positive incentives, possibly financial, in order to stimulate construction in counties having a deficiency of beds. Furthermore, where a surplus exists, the program must be tougher on the expansion plans of existing facilities.

From the beginning, the program has been plagued with implementation problems, such as the anticipatory effects that occurred in the first year of the program and again in 1979. These problems kept the program from reaching its full potential, but with their elimination and with further strengthening of the program, the future impact should be greater.



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**PRISON CAPACITY AND SENTENCING SEVERITY: A LOOK AT ILLINOIS, MICHIGAN, AND PENNSYLVANIA**

Peter F. Nardulli

After a brief lull in the late seventies and early eighties, crime is once again a prime concern among a large number of Americans. More people are mentioning crime in periodic surveys of public problems than in the previous decade, and the 1982 governor's race in California may have been won at the eleventh hour by a strong law and order appeal. In the minds of many, criminal punishment is an integral part of the crime problem and society's efforts to combat it. It is viewed as both a real and a symbolic deterrent to crime, every bit as important as a mobile, effective police force. This has led to a reexamination of sentencing practices and a revision of sentencing codes, an increase in minimum punishments, and even new prison construction. Illinois, for example, moved from an interdeterminate to a determinate sentencing code, abolished its parole board, and enacted Class X legislation providing more severe sentences for selected heinous crimes. More recently it has embarked upon a campaign to increase its state penal capacity. Indeed, a recent report of the Illinois Economic and Fiscal Commission shows that the Department of Corrections received 75 percent of all new capital project dollars for FY 1983 — in excess of \$80 million.

Many students of criminal courts have doubted the effectiveness of these reforms. They note the low visibility of most sentencing decisions and the vested interest of most criminal court practitioners in the status quo. Of particular concern are the long-established "going rates" for routine offenses on which county plea bargaining practices are based. To better understand the sentencing process — and improve our chances to reform it — we undertook a long-term comparative study of criminal courts. The focus of the present essay is on factors that affect sentencing severity. Such factors are, of course, of special interest to those concerned with increasing the deterrent effect of sentencing.

#### COUNTY CHARACTERISTICS

The criminal court study was conducted in nine counties in Illinois, Michigan, and Pennsylvania. The Illinois counties were DuPage, Peoria, and St. Clair; the Michigan counties were Oakland, Kalamazoo, and Saginaw; the Pennsylvania counties were Montgomery, Dauphin, and Erie. Three hundred inter-

views were conducted with judges, prosecutors, and defense attorneys yielding over 10,000 pages of transcripts. In addition, we collected extensive amounts of information on 7,500 criminal cases in the nine counties. These data, together with our observations, provided us with many insights into criminal court operations, as well as a means to test our ideas empirically.

The nine counties were selected to gauge the impact of important county differences on criminal court operations. One area of concern was socioeconomic welfare; another was the political views of the county's populace. We felt these were important because counties with deep social cleavages may sentence differently than more homogeneous and prosperous counties. Also, more politically conservative counties could be expected to sentence more severely than more liberal counties. To fulfill these criteria, we selected for each state one economically declining county (St. Clair, Saginaw, Erie), one autonomous county (Peoria, Kalamazoo, Dauphin), and one suburban ring county (DuPage, Oakland, Montgomery).

Table 1 reports data on some of the economic and political indicators we investigated. As expected, the ring counties in each state are the most prosperous — with per capita incomes hovering at about \$10,000 in 1979. The declining counties are far less so; per capita incomes stood at somewhat over \$6,500. Politically, DuPage and Dauphin counties appear to be the most conservative, followed by Peoria and Montgomery counties. The Michigan counties appear fairly moderate, while St. Clair and Erie counties are moderately liberal.

The nine counties also showed some important differences in crime rates and penal capacities. According to the FBI reports on violent personal crime rates (per 100,000 population) for the ten-year period preceding this study (1971-1980), Peoria and St. Clair counties have the highest rates; Kalamazoo and Dauphin counties are far lower. Two Michigan counties (Oakland and Saginaw) have fairly low personal offense rates, but two of the ring counties (DuPage and Montgomery) and Erie have the lowest.

With respect to penal capacities we must consider both county jails and state facilities. Large county facilities may increase the likelihood that a judge will incarcerate marginal offenders. At the same time, county detention is often not appropriate because state law usually precludes county detention for more than a one- or two-year period. Data collected on the local jails in each of the counties show that all of the Michigan jails were built during the 1970s; only those in St. Clair County in Illinois and Erie County in Pennsylvania were

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**Table 1**  
**SELECTED MEASURES OF ENVIRONMENTAL AND STRUCTURAL CHARACTERISTICS**

	DuPage (Ring)	Peoria (Autono- mous)	St. Clair (Declining)	Oakland (Ring)	Kalamazoo (Autono- mous)	Saginaw (Declining)	Montgomery (Ring)	Dauphin (Autono- mous)	Erie (Declining)
Per capita income, 1979	10,495	8,388	6,550	10,675	7,776	7,263	9,764	7,581	6,680
Public assistance recipients (per 100,000 population) February 1980	713	4,689	12,409	3,202	5,838	9,778	1,569	5,165	5,361
Average vote for conservative presidential candidate(s) in "ideological" elections (1980, 1972, 1968, 1964)	68%	55%	43%	53%	53%	51%	56%	60%	46%
Overall political categorization	Conservative	Conservative	Moderately liberal	Moderate	Moderate	Moderate	Moderately conservative	Conservative	Moderately liberal
Relative capacity of county jail (arrests for serious UCR crimes/jail spaces)	.15	.14	.28	.18	.29	.24	.10	.16	.24

built during that decade. The jails in DuPage and Dauphin counties were built during the 1950s. Peoria County's jail is over 65 years old, and Montgomery County's is over 120 years old. Not surprisingly, both Peoria and Montgomery counties, along with Oakland County, regularly house prisoners outside the county — at considerable cost.

Measuring relative capacities of jails can be tricky. Here relative capacity is defined as the percentage of all individuals arrested in 1980 for one of five serious offenses — murder, rape, robbery, assault, and burglary — that could be incarcerated in the county jail at one time. This measure, reported in row 4 of Table 1, shows some significant variation. Four counties have obviously larger capacities: Kalamazoo, St. Clair, Saginaw, and Erie; four others had somewhat lower capacities: Peoria, Dauphin, Oakland, and DuPage. Montgomery had clearly the smallest capacity.

At the state level, a number of further observations may be made. Michigan's institutions tend to be newer; almost three-quarters were built after 1950 and one quarter during the 1970s. Four of Pennsylvania's eight institutions were built before 1925, as were three of Illinois' ten.

Another important dimension to state penal systems is their capacity. The criteria a judge uses for determining whether a defendant merits "state time" may vary with the relative capacity of state institutions as well as the extent of their utilization. The flow of prisoners to the state penal system may increase to fill the available spaces; it may slow once capacity is reached. Our data (Table 2) show that Michigan has distinctively greater capacity than either Illinois or Pennsylvania. This is true regardless of what measure is used. Michigan has more absolute capacity, more capacity per 100,000 population, and more capacity per 1979 arrests for serious UCR (Uniform Crime Rates) crimes, as designated by the Federal Bureau of Investigation. Illinois ranks consis-

**Table 2**  
**CAPACITY MEASURES OF STATE LEVEL ADULT CORRECTIONAL FACILITIES (1979)**

	Illinois	Michigan	Pennsylvania
Confinement capacity (No. of prisoners who can be accommodated)	11,320	11,627	8,093
Capacity per 100,000 population	100.66	127.39	68.67
Capacity per adult arrest for serious UCR crimes (violent personal crime plus burglary)	43	.62	.34
Proportion of capacity utilized (December 31, 1979)	.99	1.15	.91

Source: Sourcebook of Crime Justice Statistics — 1981, Table 1.68. Excludes community-based facilities. Information supplemented by inquiries to state correctional departments to insure comparability.

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for other factors to affect sentencing levels. Where detention capacity exceeds these "core requirements," it becomes possible for other factors to play a role (i.e., they become unleashed). Thus social and political factors may only play a role where detention capacity is high.

The importance of detention capacity for understanding differences in sentencing severity is obviously not limited to its interrelationship with social and political factors, which are speculative in any event. It also has a direct effect upon severity.

The finding that is most striking is the distinctiveness of the Michigan counties. These differences can be attributed to the greater detention capacity of the Michigan penitentiary system — as well as to its medium security and decentralized orientation and, perhaps, its qualitative advantages. Moreover, the only within-state differences of any consequence are in Michigan. These can be explained with reference to differences in local detention capacity. Kalamazoo is the most punitive of the three Michigan counties, and it has the most detention capacity; Oakland is the lowest and has the least capacity.

#### Severity Levels Across the Three States: A Longer View

To insure that the results reported above were not a short-term phenomenon unique to our sample of cases, we examined some data on state incarceration rates (the number of people in state penal facilities per 100,000 population) for the period 1926 to 1980. These data (see Figure 3) confirm what the earlier analysis showed: Michigan sentences more severely than do Illinois and Pennsylvania; Illinois normally sentences somewhat more severely than Pennsylvania. These differences hold up even when controls for serious crimes and arrests for serious crimes are introduced.

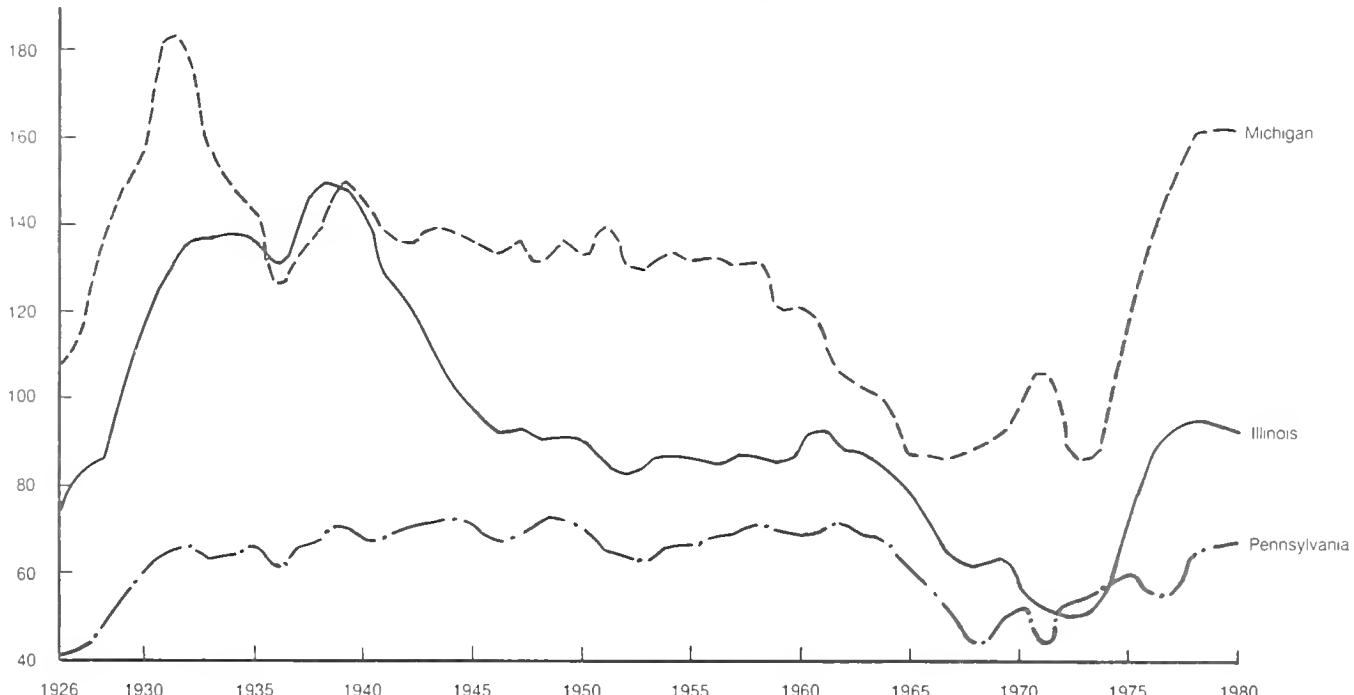
If examined carefully, these data also reveal some interesting insights into the role that penal facilities may play in statewide sentencing levels. The late 1960s and early 1970s saw great public concern over the crime problem, and there was much pressure on criminal court judges to sentence more severely. During the seventies, Michigan sharply increased the number of incarcerated defendants; Pennsylvania had only a modest increase; and Illinois lay somewhere in between.

Data on prison construction suggest a reason for these different responses to the public clamor for "get tough" measures. Michigan built six new penal institutions during this period, Illinois built two; and Pennsylvania, none. While we cannot draw any firm conclusions from this — only an experimental design could do that — the data do suggest that judges and prosecutors may have been wrongfully bearing the brunt of public dissatisfaction with the sentencing of criminals. They seem perfectly willing to fill up the penal facilities if the executive and legislative branches provide the space, at least during periods of high concern with crime.

#### CONCLUSIONS

The analysis presented here suggests that a strong relationship exists between penal capacities and sentencing severity in states and counties. While an experimental design would be required to resolve the issue conclusively, it appears that the supply of prisoners will increase to meet the available number of beds — at least during times of great public concern with crime. However, if the Michigan experience holds true elsewhere, it may be that capacity levels are not the only important factor. A decentralized state penal system with a large number of medium security prisons also seems to encourage commitments. Judges may be less hesitant to

**Figure 3**  
**STATE INCARCERATION RATES, 1926-80**  
**(Incarcerated Defendants per 100,000 Population)**



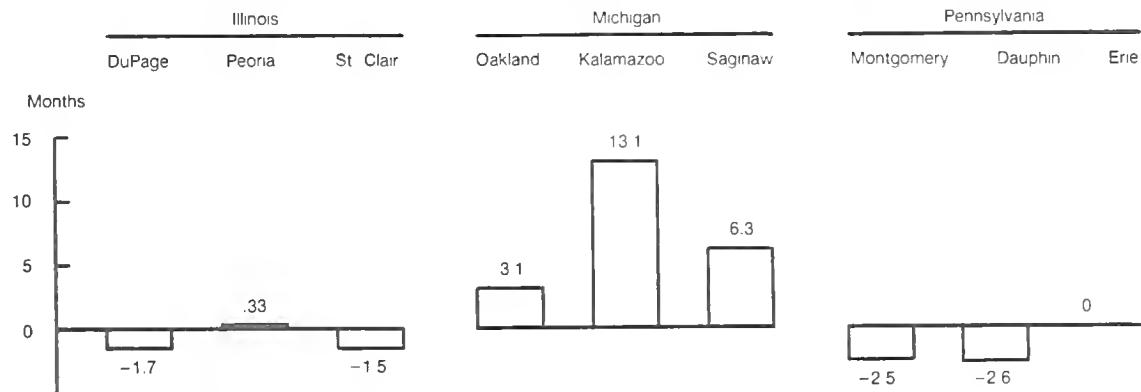
utilized a form of diversion for felony cases during the time this study was conducted.

### SEVERITY: A MORE RIGOROUS EXAMINATION

The data in Figure 1 are raw numbers which do not control for either differences in offense seriousness or the criminal records of the defendants, both of which are primary determinants of sentences. Moreover, since the data ignore the *length* of incarceration, they are only crude indicators of sentencing severity. Fortunately, multivariate statistical techniques exist which allow us to control for these factors while simultaneously examining differences in sentence length across counties.

The results of this analysis are shown in Figure 2; it reveals that important differences exist. The most significant of these are across states. The Michigan cases received much more severe sentences than those from either of the other two states — about eight months more overall. There is no significant difference between Illinois and Pennsylvania when offense and criminal records are controlled. At the county level Michigan again shows some statistically significant differences. Kalamazoo County is more severe than both Oakland and Saginaw counties, and Saginaw County is more severe than Oakland County. No meaningful differences exist across the other counties.

**Figure 2**  
**RESULTS OF ANALYSIS OF COVARIANCE FOR MINIMUM MONTHS OF CONFINEMENT**



The small number of counties and the limited amount of variation on some important variables prevents a thorough testing of some of the propositions discussed earlier. Nevertheless, two general conclusions seem justified. First, there appears to be less within-state variance than we expected, especially along social and political lines. Second, the role of penal capacities appears to play an important role in determining severity levels.

An examination of some social and political influences presents a confusing picture. We had expected that the level of social strains would put DuPage and Montgomery counties in the lenient category, and Peoria, St. Clair, and Dauphin counties in the severe category. In fact, all sentenced at about the same level. The influence of the crime problem is similarly plagued. Even Peoria County, which falls in the severe category in each of the three socio-political categories (social stress, political ideology, and severity of crime problem) does not hand out sentences that are distinctively severe.

A number of things may be confounding our expectations; two seem most likely. First, conflicting influences in a county

may well be countering one another, leading to inconclusive results. Second, other factors may be constraining the impact of the social and political factors. This suggests that the relationship between contextual and socio-political factors and sentencing is more complex than initially contemplated.

Conflicting influences are best illustrated in the non-Michigan counties. For instance, social strains and the severity of the crime problem in DuPage and Montgomery counties led us to expect lenient sentences; however, both have very conservative political leanings, which would lead to more severe sentencing expectations. St. Clair County has a similar problem. While it is a moderately liberal county, it has a severe crime problem and serious social cleavages.

Despite the problems which these conflicting influences doubtless cause, they cannot entirely account for the confusing picture that we have been shown. As noted earlier, Peoria County has consistently more punitive expectations, yet is relatively lenient. Moreover, while the social and political characteristics of the Michigan counties fairly consistently yield moderate expectations, they sentence relatively severely. Some of this can be clarified through the second explanation made earlier: the possibility that some other factor constrains the impact of these influences.

The best candidate for this "other factor" is detention capacity, both local and state. Detention capacity could

constrain the impact of such influences because it can affect sentencing levels directly, thereby confounding the interpretation of other influences. Thus higher detention capacity can lead to higher "going rates," regardless of other factors. It strengthens the prosecutor's bargaining position and provides decision makers with more flexibility. At the same time, if local space is unavailable, marginal offenders may not receive any time at all. These problems prevent a meaningful examination of the impact of contextual and socio-political factors. They may have a discernable effect only where "all other factors" are equal.

The level of detention capacity may be intertwined with socio-political factors in even more subtle ways. Certain levels of detention capacity (beds per population, beds per arrest) may be required to "unleash" these factors. Thus, even if we control for detention capacity, we may find that socio-political factors play a role only in counties with relatively high capacity levels. Every county, regardless of its makeup, may have a hard core of cases which requires incarceration. If this core exhausts detention capacity, there is little room

tently behind Michigan, while Pennsylvania has the lowest capacity. Despite these capacity figures, the data on utilization reveal a totally different picture.

Pennsylvania has the lowest capacity and the lowest utilization; Michigan has the highest capacity and the highest utilization. This overutilization led to a court ruling which held that Michigan's entire adult penal system violated constitutional standards, as did selected prisons in Illinois. Pennsylvania was one of only thirteen states in 1982 which did not have any type of pending litigation concerning its state penal system.

### Sentencing Predictions

The social and political differences across the nine counties led us to a number of expectations concerning sentencing levels. Thus we felt that sentencing levels in a heterogeneous county — especially one suffering from some economic malaise or where crime is highly concentrated in a major city or among an identifiable population group — may be more severe than in prosperous suburban counties with no severe crime problems. Peoria, St. Clair, and Dauphin counties are in this category, because they all have fairly high crime levels, especially in their major city. Moreover, the county's minorities are also highly concentrated in the major city.

Finally, blacks made up over half of the court system's felony defendants (as represented in our case samples) in all three counties. DuPage and Montgomery counties are categorized as more lenient because of their homogeneous population and their low, diffuse crime levels. The other counties have one or more moderating influences which lead us to classify them in the middle.

As for political ideology, it would seem that if judges try to reflect the views of their constituents, those in more conservative counties are more likely to sentence similar defendants charged with similar offenses more severely. The same may be true for the impact of the crime problem factor. In counties where crime is a serious problem, judges may feel more compelled to sentence severely than do judges in counties with minimal crime problems. For example, Peoria County's high rate of crime and its strong political conservatism both lead to the prediction that judges will hand down severe sentences. The political conservatism factor in DuPage and Montgomery counties suggests severe sentences but the low level of serious crime leads to a prediction of lenient sentences.

The predictions concerning the impact of local jail capacity follow the data presented earlier: lenient in Montgomery County and severe in Kalamazoo, St. Clair, Saginaw, and Erie counties. With respect to state penal facilities the Michigan counties seem to enjoy a distinct advantage over those in Illinois and Pennsylvania. The capacity of the Michigan system is the largest by any measure. In addition it has a newer, more decentralized penitentiary system oriented to less serious offenders. This is expected to increase the attractiveness of penitentiary commitments to Michigan judges, especially with respect to the more plentiful, marginal offender.

### Sentencing Patterns

Before turning to our analysis of severity, it will be useful first to examine overall sentencing patterns. Our concern is with five basic sentence forms: a penitentiary commitment, a jail term, probation, diversion, and monetary punishment (restitution or a fine). Probation is by far the most common of these, accounting for close to half of all sentences. Penitentiary and jail sentences are each used in roughly 20 percent

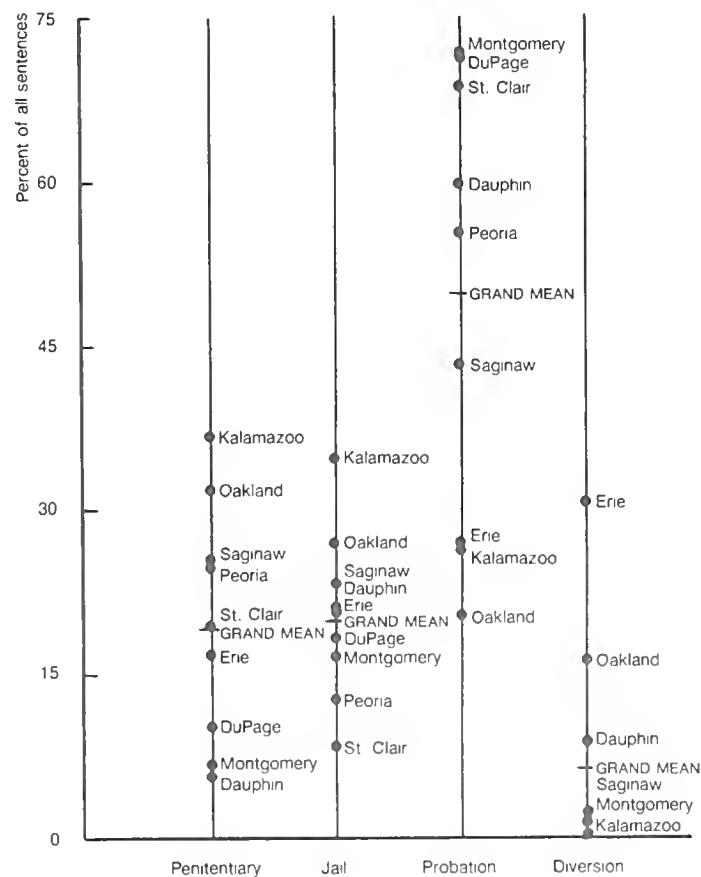
of all cases, while diversion and money punishments account for the remaining 10 percent of the cases.

In many instances more than one form of punishment is meted out. For example, all county jail sentences were accompanied by some term of probation (30%), a fine (21%), a combination of probation and a fine (17%), or some other form of punishment (32%). Fifty-five percent of all probation cases were also given a fine, while another 4 percent were given some other form of punishment, usually a term of probation to be completed after being released.

An examination of Figure 1 reveals that the basic pattern does not characterize all counties. It reports the proportion of sentenced cases in each of four basic sentencing forms by county, along with the proportion for all nine counties (the grand mean). It should be noted that the money category is not included because of a lack of variance across counties.

Several observations can be made on the basis of Figure 1. First, in two Michigan counties, Kalamazoo and Oakland, the penitentiary commitment is the modal form of punishment, followed by jail confinement. Dauphin, Montgomery, and DuPage counties are the least likely to send defendants to the penitentiary, while they are among the most likely to use probation (along with St. Clair County). Peoria and St. Clair counties are the least likely to use the local jail. Oakland, Kalamazoo, and Erie counties are the least likely to use probation. Oakland and Erie, however, employ diversion far more than the other counties. None of the Illinois counties

**Figure 1  
THE DISTRIBUTION OF  
BASIC SENTENCE FORMS BY COUNTY**



send marginal offenders to such facilities than to large, fortress-like, maximum security prisons.

Despite the clarity of these results, we should be careful in interpreting them. While more and better penal capacity may increase sentence severity, it is not clear that more severe sentences will "solve" the crime problem. Most criminals do not get caught, and it seems that the danger of incarceration is remote to most who are contemplating criminal acts. Offenders are certainly less likely to commit criminal offenses while they are incarcerated but whether they emerge rehabilitated or merely better schooled in the ways of crime is an open question. This last point is important when decisions about new prison construction are being made.

Most criminal practitioners view repeat offenders as belonging to one of two categories — "losers" or "bad guys." Losers are people who seem to drift aimlessly from one bad situation to another and appear unable or unwilling to exert much control over their lives. While they are not considered particularly dangerous to the community, they may have a high nuisance value. "Bad guys," on the other hand, are hostile to society and purposely and continually flaunt the law.

One of the reasons for the low rate of incarceration reported earlier is that many convicted defendants are either first offenders or losers. While some of these individuals may turn into "bad guys" later, most agree that incarceration would not be beneficial to them at the present. Restitution, supervised probation, fines, work release, and diversion seem more

appropriate and are much less costly. Costs per inmate for a new medium security prison range from \$40,000 to \$50,000; maximum security costs are in the \$67,000 to \$80,000 range.

Whenever the expansion of penal facilities is being considered, especially at the state level, it must be remembered that the distinctions among defendants may be lost in the rush to fill available spaces. While many will argue that there is a vast reservoir of "bad guys" who should be in prison, we must consider the very real possibility that a large number of marginal offenders would be imprisoned as well. Although incapacitation may be a legitimate sentencing goal, this would be a very costly way of dealing with such offenders. Moreover, if they emerged as better criminals, this policy would exacerbate the crime problem in the long run. In addition, these enhanced capacities may "unleash" influences that are kept at bay by a lack of excess capacity.

As we have seen, despite considerable socioeconomic and political differences across the six Illinois and Pennsylvania counties, there are virtually no sentencing differentials across them (when offense and criminal records are controlled). In other words, equals are being treated equally. The existence of excess state penal capacity may lead some counties to incarcerate certain classes of offenders who are not being incarcerated elsewhere, thereby giving rise to sentencing disparities across the state.



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**ILLINOIS SETTLEMENT CHANGES CHALLENGE STATE AND LOCAL GOVERNMENTS**

Everett G. Smith, Jr.

The 1980 census provides the latest glimpse into who lives where in this nation and its states. Changing locations of people have prompted publicity recently about a repopulation of the American countryside and revival of its small town. These tendencies suggest new directions and dimensions of national settlement patterns. Moreover, these changes challenge governments and their officials at all levels to allocate public works and services to areas where they are needed and demanded. Maps of population redistributions can help clarify government plans and actions.

As one of the megastates, Illinois reflects national trends. The state, with its diverse population, variety of places in which to live—ranging from small hamlets to a major metropolis, and mixture of economic activities, serves as a microcosm of the country at large. The need to redraw legislative districts has focused some popular attention on the fact that Illinois and other midwestern and some northeastern states did not grow as fast as the rest of the nation during the 1970s. Somewhat less well known is information about where people have chosen to live within each state's boundaries.

Most Illinois residents—as well as United States residents in general—continue to live in or near major urban places. In 1980 four people in five, or 81 percent of the Illinois population, lived in 23 counties designated by the Bureau of the Census as metropolitan (Figure 1). This concentration has remained unchanged essentially since midcentury and earlier; for already by 1930, three-quarters of the people in Illinois lived in these urban counties. A fraction of the state's population thus reside in the remaining 79 nonmetropolitan counties. Today 73 percent of the United States population—165 million people—are congregated in metropolitan areas.

Even more interesting, perhaps, is the fact that throughout the country (including Illinois) nonmetropolitan areas grew faster in the past decade than metropolitan areas for the first time in our history. The pull of cities, so prevalent for most of the century, appears to have weakened—not only for the largest centers but also for middle-sized places. If this trend continues, the dominance of our metropolitan areas may well subside at some point in the future. In Illinois, for example, the population in nonmetropolitan counties increased 6 per-

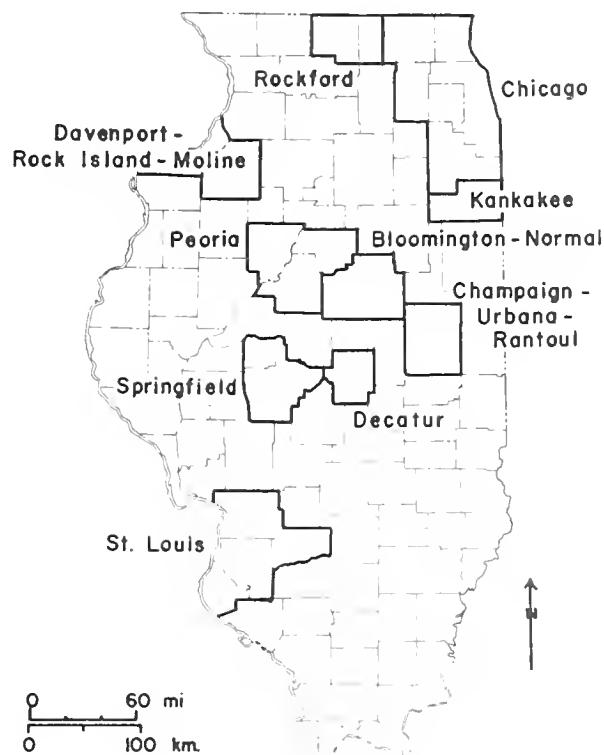
cent between 1970 and 1980, while metropolitan counties increased 2 percent during the decade. In the 1960s and 1950s, by contrast, the 23 metropolitan counties in Illinois registered population gains of 12 and 20 percent respectively, while nonmetropolitan counties in the state could muster gains of barely 2 and 1 percent.

**COUNTY PATTERNS**

The relative attractiveness of nonmetropolitan over metropolitan areas in recent years reveals a restless people, evaluating and reevaluating their personal as well as the nation's resources and moving to locations perceived as more desirable for work or retirement, or both. Patterns of population

Figure 1

**METROPOLITAN AREAS  
in the 1980s**



Everett G. Smith, Jr., a native of Urbana, Illinois, is a professor in the Department of Geography at the University of Oregon. He was at the University of Illinois from 1961 to 1965 with a joint appointment in the Office of Community Development and the Department of Geography. Professor Smith authored an earlier issue of *Illinois Government Research* (January 1970) entitled "Twentieth Century Voting Patterns for President in Illinois."

gains and losses at the county level over several decades emphasize these dynamics (Figure 2). The unshaded counties on the maps highlight the continuity of urban and suburban growth in northeastern Illinois and in and around the larger cities downstate. More striking were declines in the 1970s in the state's most urban counties, especially Chicago's Cook, coupled with increases in counties more accustomed to population losses than gains for most of the twentieth century.

This decentralization indicates not only that people have been evacuating big central cities and their suburbs, but also that residents who might once have migrated to urban areas are staying in smaller communities and rural areas. Although the identity of who makes these choices and what precipitates them awaits interviewing in the field, results of these multiple and complex decisions appear in the changing patterns of settlement.

During the 1970s only a handful of the 102 Illinois counties—14 in all—experienced population declines. In five of these, significant drops in city populations affected county results. Chicago's Cook County, along with Madison and St. Clair counties, part of metropolitan St. Louis, and Rock Island County stand out. For the first time ever, each of these counties lost people. Cook County decreased by more than 4 percent. Without Chicago, however, Cook would have increased almost 6 percent. Chicago lost more than a third of a million people during the decade, and adjacent suburbs declined by another 100,000 residents.

The five suburban metropolitan counties surrounding Cook County, on the other hand, increased 25 percent between 1970 and 1980—more than twice the national average growth rate. Overall, the ten metropolitan areas in Illinois continued their long-term gains, adding a net of 200,000 people in the 1970s, as peripheral growth offset losses in older, more central urban districts and counties.

Most nonmetropolitan counties in Illinois also increased their populations in the 1970s, reversing more familiar experiences of repeated decreases. Before 1970, about half or more of the counties in Illinois—not always the same ones, of course, but primarily those in nonmetropolitan areas—experienced population losses in any given decade. Between 1960 and 1970, for example, 50 of the 102 counties in the state declined; in the 1950s, the number was 51; and in the 1940s, it was 55. Only the 1930s resembled the 1970s. In that decade 27 counties—almost double the 14 affected in the 1970s—decreased in population. Fifty years ago, during that earlier economic depression of this century, people clearly saw fewer opportunities in cities and remained in rural areas waiting for better times.

## ILLINOIS GOVERNMENT RESEARCH

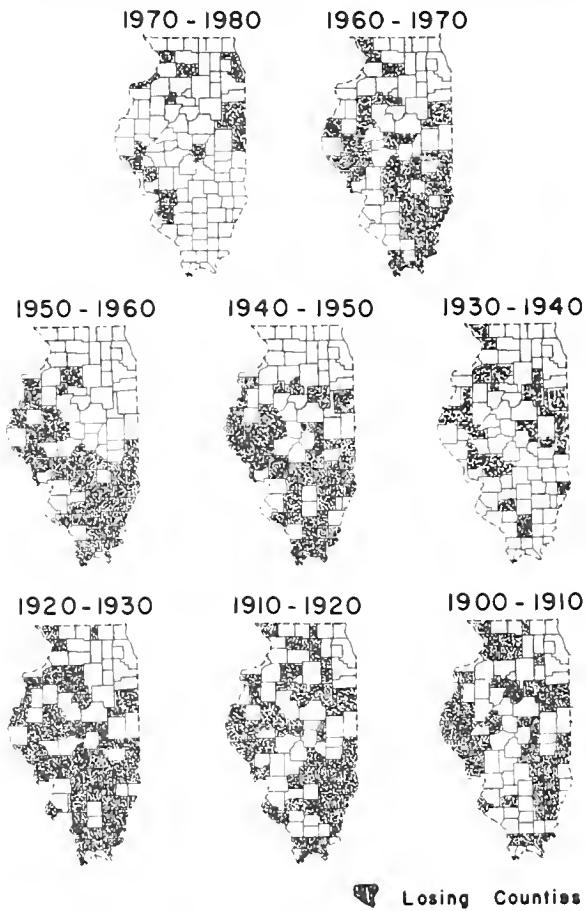
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**Figure 2**  
COUNTIES THAT LOST POPULATION BETWEEN:



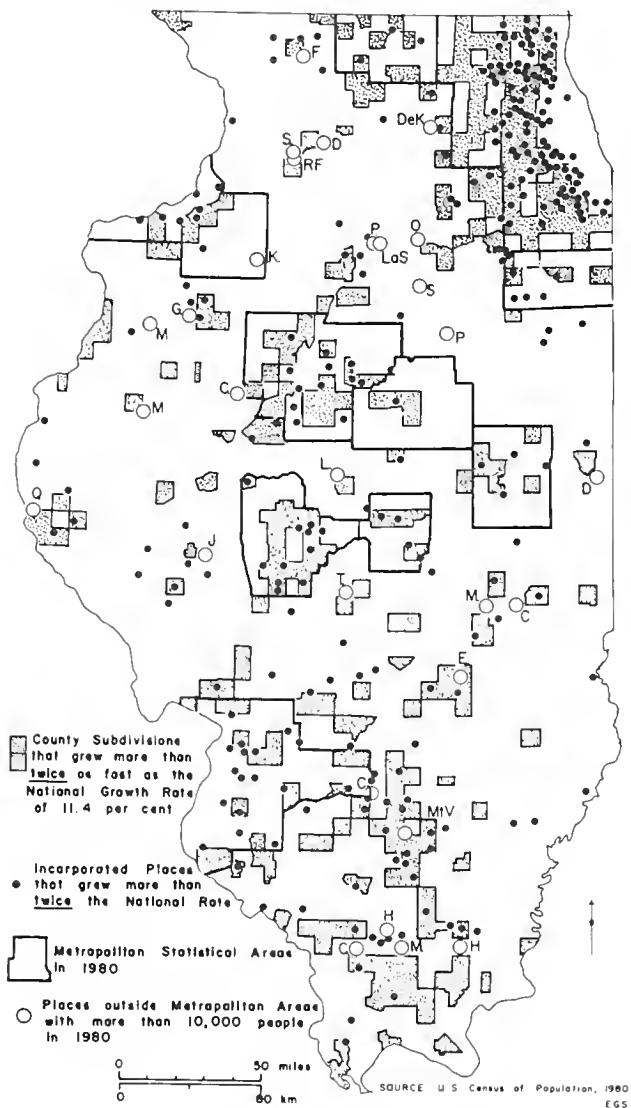
Since 1900, therefore, most local government officials in Illinois counties have had to adjust public programs and finances for population declines more often than for increases. Specifically, 58 Illinois counties lost people in four or more of the eight decades between 1900 and 1980 (Table 1). Just one in this group, Menard County, holds metropolitan status, but this role is new, for it was not until the late 1970s that the Bureau of the Census included Menard County with Sangamon County to enlarge the Springfield Metropolitan Statistical Area. The population profile of Menard typifies the majority of Illinois counties: it had more decades of loss than gain during this century. Population figures increased in the 1930s and after 1960, but the number of people living in Menard County in 1980 remained below the peak for the century registered in 1900.

Only one Illinois county—Stark—lost people in every decade between 1900 and 1980. Located north of Peoria, Stark County comprises prime farmland, a relatively flat prairie without many wooded tracts, water resources, or rolling countryside that people seeking homesites beyond cities and towns increasingly choose. Stark County is also a bit too far from Peoria, Galesburg, and Moline-Rock Island for daily commuting. In addition, the farm population continues to drop, as farms expand in size and diminish in number. This migration, mostly out of the county, still exceeded the slight gains in the four incorporated places made during the 1970s.

Stark County, however, may join other rural counties that

In nonmetropolitan counties, for example, there were fifty-one townships or precincts in 1980 that had experienced population increases of more than 23 percent between 1970

**Figure 5**  
**FAST GROWTH AREAS IN ILLINOIS, 1970-80**



and 1980 and that were neither an incorporated place nor located next to a city. Many of these "open country" areas with new residents border on lakes created on smaller rivers in central and southern Illinois, such as Lakes Shelbyville, Mattoon, Sara, Carlyle, Rend, Kincaid, Cedar, Crab Orchard, and Egypt. Comparable settings with rapidly growing populations are in townships with lakes in the floodplain beside the Illinois River both above and below Peoria and Pekin.

North Otter Township in Macoupin County, adjacent to and just south of the Springfield Metropolitan Area, increased 73 percent in population between 1970 and 1980. There are no incorporated places in North Otter, and for seven successive decades, from 1900 to 1970, the township lost people. By 1970 only little more than half of the 1900 population lived there. During the 1970s, however, the number of people increased from 493 to 852 new people. Inspection of topographic maps reveals that all but a handful of these occupy dwellings around a lake called Sunset formed by damming a small tributary to Otter Creek. Although Sunset Lake covers parts of two mile-square sections in the township, the lake is too small to appear on the official 1981-82 Illinois Highway Map. Ironically, larger Otter Lake, also created since the mid-1960s a few miles west and identified on the official state highway map, contains only a few houses near its shoreline, according to topographic maps.

## CONCLUSION

The 1980 census reveals that in Illinois today vast areas contain residents on sites never before occupied and that people are moving to or near farmsteads that were evacuated in years past as small farms were expanded into huge tracts and the countryside was emptied of its population. Many unincorporated hamlets, villages, towns, and smaller cities have shared in this population redistribution. Past experience suggests that such redistributions will continue.

Selective as they are, these locational shifts can strain the resources of local and state governments. Careful monitoring of where people move, however, can help officials prepare for the future needs of citizens in their jurisdictions. Those from areas with similar settlement patterns can discuss past experiences and trade views on future expectations, thereby reducing uncertainty for themselves and the people who elected them. Maps like the ones presented here can help in this process. More detailed documentation of settlement changes for smaller areas can then refine the needs and further assist in these important public tasks.

children who can live more cheaply in the country by renting a former farmhouse and by tilling a few marginal acres around it on a part-time basis; and some may be escaping city taxes and, in the process, "externalizing their costs," to use the economists' language. All must have cars and trucks that run, and all seek sites, once restricted to the very rich, with a physical amenity or some combination of space, view, trees, water, and slope. Because the climate in Illinois will never rival Arizona's, even in summer, many people will migrate from the state to find that vague and heterogeneous region we call the Sun Belt. But Illinois, which looks flat, cropped, mined, and cluttered with industry from the heavily travelled routes used by most people, contains many locations that fit the desires of people who hanker for a "place in the country."

Decreases in unincorporated population, particularly through central Illinois, reflect continuing movements away from farms without compensating nonfarm settlement in these open, prairie lands. Losses in larger urban counties reflect municipal annexations. Cook County, for example, decreased 63,300 in its unincorporated population, as some of Chicago's suburbs extended their city boundaries. Even so, 132,800 people still lived in unincorporated territory of Cook County in 1980, more than in any other county in the state. Similarly, almost half-a-million people lived in the unincorporated parts of the five metropolitan counties adjacent to Cook in 1980. Together they registered an increase since 1970 of 60,300 people outside the corporate limits. This 16 percent increase in suburban Chicago occurred despite city boundary changes and the formation of several new municipalities.

The Rockford Metropolitan Area and other northern Illinois counties also added to their unincorporated populations in the 1970s. Most of the counties along the Mississippi and Illinois rivers increased, too, or recorded slight losses of a few hundred or so. The large shaded region in Figure 3, showing more people living outside cities and towns in eastern and southern Illinois, corresponds closely with counties that gained in total population between 1970 and 1980.

Changes in Effingham County again illustrate the trend. Each of the ten incorporated communities in that county increased in population during the 1970s, exhibiting the affinity of many people for living once more in smaller towns. People residing outside these corporate limits, however, accounted for more than one-half of the total rise in population during the decade. In 1980, 12,500 people lived in unincorporated parts of Effingham County. This figure exceeded the city of Effingham's total and represented two of every five people in the county. A small portion of these people still farm full time. Many more dabble part time with several cattle and a few acres of crops, while most people have absolutely nothing directly to do with the land other than weeding and harvesting summer gardens and mowing their lawns.

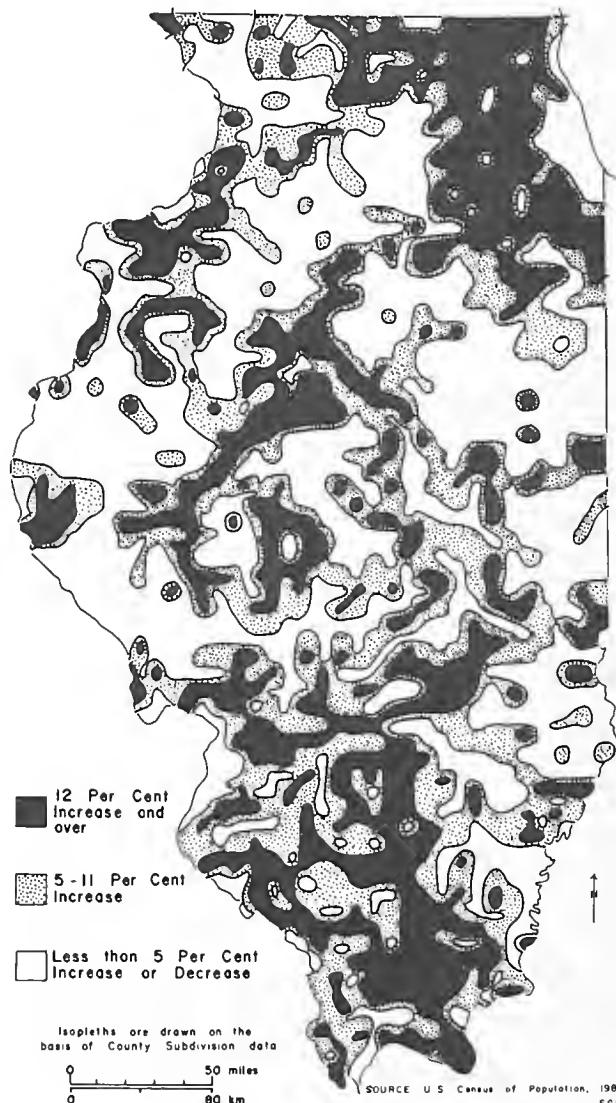
#### Growth Areas

Maps of population growth patterns in the 1970s based on units smaller than counties (i.e., townships and precincts) disclose more precisely the dynamic locations in Illinois (Figures 4 and 5). Exceeding the Illinois and United States average rates of increase between 1970 and 1980 were areas that included outer suburbs and metropolitan margins as well as corridors between these places near routes of access such as freeways and amenities such as rivers. A broad growth region surrounds Chicago and close-in suburbs and extends northwest in a thick swath past Rockford toward Wisconsin and Iowa. More people settled away from this large growth area in northeastern Illinois in parallel paths in the Rock and Illinois river valleys to the Quad Cities and to Peoria and south toward St. Louis.

Across central Illinois, the growth corridors tend to link larger urban centers. To the south, population increases in the 1970s show a pattern that spreads widely through the more rugged and wooded lands of Little Egypt. Aside from significant losses in the largest cities and adjacent suburbs, areas of slow growth or population decline appear as pockets of productive prairie and other agricultural lands relatively remote from major transport courses and areas with desirable physical amenities.

The map locating the most rapidly growing places and areas in Illinois during the 1970s shows suburbanization and metropolitan decentralization as important forces in the settlement of the state. Especially striking is the concentration of growing places around Chicago and the townships farther out in the rolling morainic and lake country that are gaining newcomers at a rapid rate. County subdivisions beyond metropolitan areas that added people at rates more than twice the national average express similar desires of people for more personal space.

**Figure 4  
POPULATION GROWTH PATTERNS IN ILLINOIS  
1970-80**



**Table 1**  
**POPULATION LOSSES, BY DECADE AND COUNTY:**  
**1900-1980**

Number of decades in which losses occurred	Types of counties with losses		Total number of counties with losses
	Metropolitan	Nonmetropolitan	
8		1	1
7		8	8
6		13	13
5	1	18	19
4		17	17
3	3	10	13
2	2	5	7
1	4	4	8
0	13	3	16

Source U.S. Censuses of Population

already have switched from losses to gains. The rate of population decrease in Stark fell from 8 percent in the 1960s to less than 2 percent in the 1970s, an indication that depopulation, running unbroken since the late 1800s, will probably cease in the 1980s.

Striking turnarounds in settlement appeared in the 1970s all across the southern half of Illinois. Of 21 counties that lost people in six or seven of the eight decades after 1900, 16 displayed increases in the 1970s. This reversal is particularly apparent in southeastern Illinois which people had been leaving for decades. In the three counties in the lower Illinois River Valley with losses again in the 1970s, rates of decline were lower than in the 1960s, as in Stark County.

Calhoun County, squeezed between the Mississippi and lower Illinois rivers, is characteristic of these nonmetropolitan counties where residents until recently have been more attuned to losses than to gains. Remote from larger urban centers, Calhoun added 200 people between 1970 and 1980—its first increase since the 1930s. With losses in six of eight decades during this century, the 1980 count of 5,900 people still measured only two-thirds of that county's 1900 population, the highest in this century; this was also the case in Menard, Stark, and 29 other Illinois counties. There are no real growth pressures in Calhoun County; but if the pattern of the 1970s continues, concern will build, followed by calls for action over such things as the condition of roads, schools, and public safety and protection.

Growth management is already high on agendas of local governments in metropolitan counties where the 1980 census marked the highest population levels so far in the century. In 16 Illinois counties, all but three classified metropolitan, the number of people increased every decade between 1900 and 1980.

In 22 other counties, mostly nonmetropolitan, populations reached their peak in 1980, despite one or more decades of depopulation. Counties in this latter group included DeKalb, McDonough, and Jackson; each has a large regional university: Northern, Western, and Southern Illinois, respectively. Other nonmetropolitan counties that reached their highest populations in 1980 and had experienced recent growth following earlier decades of decrease are scattered throughout the state. They contain the smaller industrial and trade cities of Sterling, Morris, Galesburg, Quincy, Havana, Jacksonville, Effingham, Olney, Mt. Vernon, Chester, and Metropolis.

Effingham County, with four decades of decline but none since the 1940s, is representative of these areas. Always an

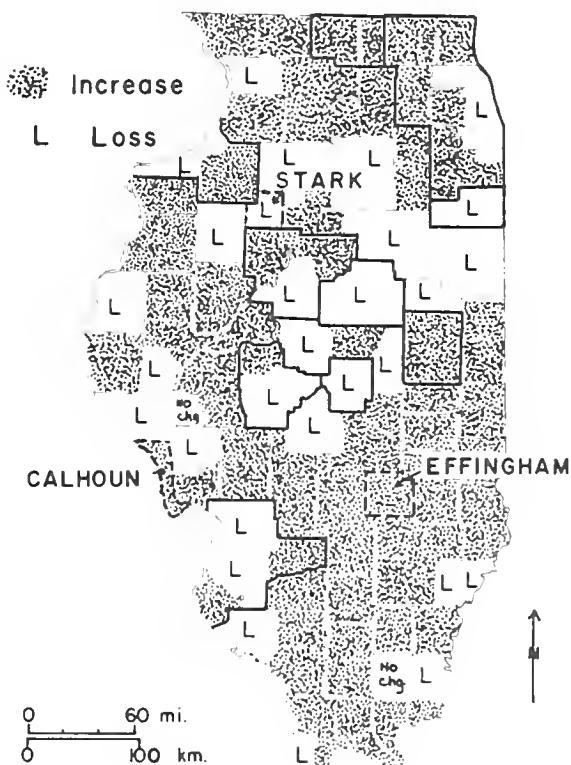
important railroad crossroads, the city and county of Effingham also benefited economically from intersecting, interstate freeways that opened in the 1960s. Physical amenities associated with a small lake and several wooded areas along streams further enhanced residential possibilities in the locality. As a result, population in the county increased 26 percent in the 1970s for an absolute gain of 6,300 people. Rates of increase were slower in the 1960s and 1950s with increments of about 1,500 people each decade. Population declined 2 percent in the 1940s, following an influx of 3,000 people in the 1930s. Effingham County dropped about 500 people in each of the three decades between 1900 and 1930. The 1980 census count of 30,944 people was 51 percent higher than the 1900 total of 20,500. Since most of this gain took place in recent years, Effingham County public officials face the problem of supplying urban services to a growing population that has located increasingly outside of the boundaries of the county's municipalities.

#### The Unincorporated Population

More than two-thirds of Illinois' counties, metropolitan and nonmetropolitan alike, contained more people in unincorporated areas in 1980 than in 1970 (Figure 3). In some areas, this increase reflects a traditional lag between settlement and annexation. In other areas, especially beyond metropolitan counties, this increase identifies people who are feeding streaks of independence by living beyond the confines, and frequently even the fringes, of corporate limits.

To these people, "five acres make good neighbors." Some are retired and in good health; some are young people with

**Figure 3**  
**UNINCORPORATED POPULATION CHANGE**  
**1970-80**





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**SMALL-CITY COUNCILS AND THEIR PART-TIME EXPERTS:  
DEALING WITH ATTORNEYS AND ENGINEERS**

John Hamman, Kent Williamson and Alvin D. Sokolow\*

Illinois has hundreds of small municipal governments. Just in the nonmetropolitan areas of the state, there are almost 700 incorporated villages and cities with populations of less than 5,000 apiece. Serving a total of more than 600,000 residents, these small and largely rural municipalities are a major part of the local government apparatus in Illinois.

Rural governments resemble in many respects municipal operations in larger and more urban communities. They have similar basic programs and responsibilities — police and fire protection, water supply, streets, wastewater treatment, economic development, parks and recreation, etc. They are also entangled in many of the same kinds of intergovernmental programs, including state and federal mandates, and grants.

Where the small municipalities generally differ from larger ones, is in the ready availability of expertise and information for policymaking and management. Few small cities have even a chief executive officer, such as a city manager. They rely instead on city councilmembers and such generalist officers as city clerks for day-to-day administration and information gathering. Certainly their tiny bureaucracies lack the internal resources needed for such specialized purposes as legal advice, engineering, planning, and budgeting — forms of expertise that are provided by full-time specialists and even entire departments in big-city and large suburban governments.

To obtain advice and information in these and other areas of concern, the small municipalities turn to outside help. Legal and engineering services, the two forms of specialized aid most frequently required, are usually obtained through consulting arrangements. Because they are outside contractors, the attorneys and engineers who serve small governments have a different relationship to their municipal bosses than in-house officers and employees. The major difference is that such consultants are relatively independent, not subject to the same degree of administrative control as are regular city staff members.

With such an independent status, how do the outside experts get along with the city councils that employ them?

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This paper examines the working relationships between councils and their part-time attorneys and engineers, using data from a study of four small municipalities in rural Illinois.\* Our study found that, while the small governments are in fact highly dependent on the outside expertise, the independent status of the consultants causes frequent tension and disagreement. The sources of tension, however, are not the same for attorneys and consultants.

Located in east-central Illinois, the four municipalities — three cities and one village — had 1980 populations of between 1,655 and 3,839 (see Table 1). Their mayors are "weak" in an organizational sense, and formal powers are largely in the hands of the municipal councils (4-8 members each). Councilmembers, generally as "commissioners" or chairmen and other members of small committees, participate directly in the administration of municipal services including some supervision of employees. In this report the four municipalities are identified by fictitious names: Grassland, Topcorn, Nativity, and Acorn.

Table 1  
**CHARACTERISTICS OF THE RESEARCH  
MUNICIPALITIES**

	Acorn	Topcorn	Nativity	Grassland
Population 1980	2,714	3,839	1,736	1,655
Government Form	Mayor-Council	Mayor-Council	Commission	Village
Full-Time Employees	8	15	8	13
Years of Service to This City				
City Attorney	8	1	6 months	6
Engineering Firm	15	4	20+	20

Note: Names are fictitious

\* John Hamman and Kent Williamson were research assistants at the Institute of Government and Public Affairs at the time the research for this report was conducted. Hamman is currently a Ph.D. candidate in political science and Williamson recently received an M.A. in political science, both from the University of Illinois, Urbana-Champaign. Alvin D. Sokolow is professor of political science and associate director of the Institute of Governmental Affairs at the University of California, Davis. Sokolow is co-investigator (with Beth Honadle of the U.S. Department of Agriculture) of the two-state rural capacity study, from which this report is drawn.

The four municipalities were part of a larger study of resource use in twelve rural governments in two states, conducted in 1981-84. The research was supported by Cooperative Agreement 58-3195-1-0153X between the Economic Research service of the U.S. Department of Agriculture and the Institute of Governmental Affairs, University of California, Davis. IGPA housed the Illinois part of the project. Two counties and four municipalities each in Illinois and California constituted the research sample. Field researchers in Illinois were John Hamman, Kent Williamson, and Elizabeth Norville.

## WHAT THE CONSULTANTS DO

Part-time attorneys and engineers are employed by each of the four rural governments. They are hired and fired by the municipal councils and receive direction from these legislative bodies and the mayors. Most of their local contacts are with councilmembers and mayors, although they also advise and work with other municipal officials such as city clerks and public works foremen.

What specific tasks are performed by these outside experts? Obviously, the attorneys and engineers provide quite different types of expertise. Less obvious, but equally significant is the fact that their operating styles and personal relationships to municipal officials also differ.

### The Attorneys

City attorneys spend much of their time drafting, reviewing, and interpreting local ordinances. Councils are often uncertain about the best way to proceed with non-routine actions such as the condemnation of local property or the issuance of industrial revenue bonds. They rely on their attorneys to clarify and articulate possible options and potential liabilities. One attorney summed up his activities by saying that:

[One part of the job] would be drafting documents which would take the form of ordinances, resolutions, or agreements that the city might enter with another person or governmental entity. We've been involved with condemning property for sewer improvements.

As city attorney, my main responsibility would be to advise the city council on any matters that come before them that have legal ramifications. They usually contact me through the city clerk. My general procedure is to take the question, make sure I understand the nature of the problem, which having lived there for some time usually is fairly easy... and I will render an oral opinion or a written opinion.

Occasionally the attorneys also handle more complex issues. At the time of our research, Grassland's attorney was representing his city in major litigation, attempting to close and clean up a hazardous waste dumpsite which had qualified for the U.S. Environmental Protection Agency's Super Fund program. Much of the attorney's time was spent in consulting with state and federal officials. He had also taken a natural gas wholesaler to court to recover alleged overcharges to the municipal-owned gas utility, stemming from discriminatory pricing practices by the wholesaler. A few years earlier, the

attorney for Topcorn had represented the city in its efforts to switch engineering firms for the design of wastewater plant improvements. Problems like these are outside the general practitioner's usual area of expertise and frequently require extensive research and time. To be somewhat better prepared and more knowledgeable about developments in the field of municipal law, city attorneys attend seminars conducted by the nearby University of Illinois School of Law and often read materials published by the Illinois Municipal League.

Among the four communities, only one attorney has a formal contract with his council; the others work by verbal agreements. The attorneys average between five and ten hours a month on routine city business (each represents only one municipality); litigation, other major projects, and participation in council meetings are extra activities. All but one of the attorneys are compensated on an hourly basis; their rates are approximately \$45.00 per hour. These rates are up to 25 percent less than those charged private parties for comparable assistance. The rationale is that councils are stable clients and punctual bill payers. The attorney of the largest community receives a retainer under a written contract; he is the only attorney in the sample who attends council meetings regularly.

Depending on the type of assistance, attorneys work with different local officials. When drafting new ordinances, or when called upon to render opinions on policy related questions, they are likely to work with the mayor or possibly a councilmember acting for the entire council. Most routine matters are dealt with quickly by a phone call or letter to the city clerks.

All four attorneys are general practitioners and are current or former residents of the communities they serve. Not surprisingly, they also have social, business, and political ties to councilmembers as well as other local officials. Occasionally this leads to a change of roles; for instance, Topcorn's former municipal attorney now serves on that city's council.

### The Engineers

Unlike the attorneys, the engineers who serve these small municipalities are members of large firms (employing as many as 15-20 employees each), which specialize in work for municipal and other local governments. The firms are not directly located in the small cities, but have offices in nearby major urban centers — Champaign, Decatur, or Mattoon. Thus the engineers have relatively limited personal links to the officials who retain them, and they keep in touch mainly by phone and on an irregular basis.

Each of the firms is a multi-disciplinary operation, employing a variety of engineering and other specialists. One engineer, describing the services his firm could provide, said:

We are architects. We do civil engineering projects, which is my daily work, and we do mechanical and electrical engineer work, too. So we cover it all — municipal buildings, private buildings, public utilities, roads, drainage.

Working agreements are made between the communities and the firms on a project-by-project basis, and a cost ceiling is negotiated for each. If the arrangement works out, the firm may eventually become known as the city's engineers, even though there is no formal contract. As indicated in Table 1, three of the four city engineers in the sample had worked for their cities for fifteen years or more at the time of the research. Work is done on large and small projects, including street repairs, water system improvements, parking lot construction, drainage, and renovation of municipal buildings.

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The Institute of Government and Public Affairs of the University of Illinois is committed to research, service, and teaching in the area of governmental affairs. As part of this mission, the institute publishes on an occasional basis *Illinois Government Research*. Each issue brings to the attention of concerned citizens and officials some aspect of public policy research. Although most items are written by institute staff members, manuscripts by other authors will be considered for publication. In each case, the views expressed are solely the responsibility of the author and do not reflect institute policy or imply institute endorsement.

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greater physical and personal distance from the councils. The technical nature of their work may also protect them from community pressures. However, engineers can also become enmeshed in local disputes. A good example occurred in Topcorn when the council changed engineering firms in the middle of design work for multi-million dollar improvements in the wastewater treatment plant. Although the facilities plan (the first stage in an EPA-supported clean water project) prepared by the original consultants had already been accepted by the city and the state, the council commissioned an alternative plan from a second engineering firm and decided to engage it for the remainder of the project. The original consultants took the city to court and were awarded \$20,000 for breach of contract. Unrepentant, one councilmember remarked, "All I can say, it's worth every penny of the judgment."

While city officials were hesitant about discussing this chapter of council history, two explanations have been advanced by interested parties. One is blatantly political: The engineering consultant developed ties with an incumbent faction on the council that was later voted out of office. The newly elected members made an issue out of the expense and lack of progress on the wastewater plan. The consultant was squeezed out because of the narrowness of his political base.

## CONCLUSIONS

Legal and engineering services are needed by virtually all municipal governments. For small cities, unable to employ full-time and in-house professional staff, the standard method for obtaining such expertise is to retain part-time consultants.

As this study of consultant-council relations in four small Illinois municipalities shows, the outside attorneys and engineers provide essential information and advice. They contribute to municipal policymaking as well as to routine administration, helping the city governments define issues, manage programs, obtain access to other expertise, and cut through the complexities of state and federal grant and mandate programs.

Yet the consultant-city relationship is an ambiguous one. While highly dependent on their part-time experts, the municipal councils at times are also distrustful and wary of the attorneys and engineers. Professional advice is not always accepted or appreciated, and sometimes the experts are blamed for the slow or unsuccessful resolution of difficult problems. Conflict between political leaders and their experts can of course occur in any setting, including large urban governments where the engineers and attorneys tend to be full-time employees. The added tension in small cities comes from the relatively independent position of the outside consultant. City leaders have very little control over the scope and terms of the experts' work, in large part because the consultants have other clients and flexible practices. Nor are they totally dependent on their municipal employers for financial security and career advancement. The lay citizen who serves on a small-city council is also less likely to have the wherewithal to assess the performance of specialists and to

assimilate their information and advice. This situation is made even more difficult in small communities where there are no generalist administrators such as city managers.

Our observations in the four Illinois municipalities led to the conclusion that there are three primary sources of council-consultant tension contrasting objectives, communications gaps, and local politics. Both engineers and attorneys are affected by political developments at the local level. Negative repercussions are most likely to occur if either kind of consultant becomes very closely allied with a particular faction and that faction is then voted out of office.

In small communities, politics is closely interwoven with what we have called community ties; the extent to which a consultant has such ties, will in some measure determine his ability to communicate effectively with the local council. A local attorney with close and long-standing ties to his community will probably be selected as the council's legal advisor in preference to a newcomer, and as long as he does not get on the wrong side of a political battle he is likely to keep the position. Consulting engineers — from large, multi-skill firms located in some distant town — face a different set of problems. Tensions between them and their councils are most likely to erupt over poor communications — misunderstandings that develop precisely because the engineer is not a member of the local communications network — and over fundamental differences in the ultimate goals that each side has. Both kinds of problems arose during the design, funding, and construction of the wastewater treatment projects that all four cities undertook.

It should perhaps be pointed out that money plays an important role alongside (or in spite of) any of the three sources of tension we have cited. If there is a great deal of money, problems in communicating may never flare up to the point where heads have to roll. Take for example the experiences of consulting engineers to Topcorn and Grassland. Grassland completed its wastewater plant in a relatively short time and adhered closely to the recommendations of its engineers. It also had enough money for the project, possessing a relatively affluent revenue base (fortified by a municipal power distribution system). In Topcorn, however, the community's ability to finance its wastewater project was a constant source of concern. And the engineers who began that project did not see their work completed, since they were replaced by another firm. While politics and poor communications certainly played a major part in what happened in Topcorn, money doubtless played a role as well.

Despite the tensions, councils and experts generally maintained smooth and productive working relationships over long periods of time. At the time of our research the attorneys in the sample had been working for their cities an average of four years apiece, while the engineers had an average tenure of almost fifteen years. Only two consultants have actually been dismissed in recent years — an engineering firm whose contract was terminated ostensibly because of cost problems in a wastewater project, and a city attorney who was let go after a new council was elected. Overall the part-time experts were major and effective participants in the governing process of these small cities.

Complaints about ambiguity are frequently heard from engineers who point to the difficulty of tying local officials down to specifics. While the engineers said they received adequate direction on general goals, they noted that the councils were not able to take decisive action on short notice. This was attributed to the councils' limited knowledge and experience in major community projects. Several attorneys also mentioned councilmember indecisiveness as an obstacle to expeditious action. Tension is frequently generated when specific items in grant applications are being worked on, and the consultants push councilmembers to state their intentions clearly and specifically. An engineer we spoke with saw it this way:

Things go pretty smooth when they [councilmembers] recognize that you're a professional, and ask constructive questions. The problems come up when they're real picky and hands on, or completely out of touch and suspicious.

#### Poor Lines of Communications

That a healthy rapport and exchange of information between councils and consultants is necessary for the effective use of expertise really goes without saying. Problems in communicating with the councils are troublesome for both engineers and attorneys. One engineer described communication problems in wastewater plant expansion projects:

Normally, the problems in communication are concentrated in the preliminary part of it [facilities planning]. When you get into design and construction, things seem to be more specific, whereas they aren't in the earlier stages, and communications can definitely break down.

The complex tasks encountered during planning, design, and construction of major wastewater plant improvements were a major cause of communication breakdowns between councils and engineers. Since the development of these projects consists of many sequential, interdependent steps, council disillusionment towards the end of a lengthy project may lead to allegations of engineering errors and cover-up. Other small-town councilmembers may share the exasperation of the Acorn alderman who disgustedly commented about projected construction overruns:

The council can get hurt on this thing; the contractor can get hurt on it; why, the only one who can't get hurt is the engineer who rigged it up.

An engineer is also particularly vulnerable to criticism and blame when a third-party regulatory agency is involved. Strict state and federal water quality requirements irritated many councilmembers during wastewater treatment expansion projects. Councilmembers criticized engineers for not correctly anticipating changes in regulations as well as for "over-designing" projects that legitimately needed to be brought into compliance. Such contradictory criticisms prompted counter complaints from the engineers, who felt trapped like the Greek messenger of old — innocent themselves but condemned for delivering bad news. This is illustrated by the experience of a former engineering consultant for Topcorn. According to a colleague, the offending engineer failed to prepare the Topcorn council psychologically for the complexities, cost, and time required for a major wastewater plant project. When it became clear just how costly the project would be, the council decided to blame the complications on the outside consultant.

While their frustrations at being "caught in the middle" were no doubt valid in some cases, the presence of govern-

ment regulators enabled some engineers to shift blame for a variety of deficiencies onto the backs of state and federal agencies. The key to winning this triangular game boiled down to convincing the small-city councils that the regulators were the uncooperative outsiders, and that the engineer was merely an instrument of the council's will. No doubt, one's perspective in large part determines the validity of these criticisms. It is true that federal and state standards and grant availability do change with time. How well these are anticipated and conveyed by the engineers to the councils bears directly on the smoothness of council-consultant relations.

A different kind of communications gap faces attorneys who try to get their city councils to consider the legal ramifications of particular actions or to prepare for anticipated lawsuits. Despite the cautions of their legal advisers, many small-town councilmembers are unwilling to tackle such problems seriously. They are seen as hypothetical or "what if" situations, not worthy of the same attention as more practical, everyday problems.

Generally, however, attorneys have fewer difficulties than engineers in communicating with small-city governments. This is due in part of course to the fact that the two positions have different sorts of ties to the local government, a point we made earlier. Since the legal experts tend to have local ties and to be familiar with community issues and idiosyncrasies, they fit neatly into the informal operations of small municipalities. Just how important these ties can be is illustrated by an example from Nativity, which had to look for a new attorney after their old one moved out of town. In his place the council hired a former resident who had moved his office back into town. The new city attorney continues to be a member of the local Jaycees and Chamber of Commerce and maintains lifelong friendships with several councilmembers. As all of the parties involved noted, the appointment was only natural, and everyone was happy with it.

Finally, it should be noted that all four attorneys in our sample were general practitioners and had no other municipal clients. As a result, their advice and information were usually tailored to the cities' unique situations.

Dealing with more technical forms of expertise and serving numerous local government clients, the engineers function on a less personal basis. They tend to standardize their consulting work, giving different communities similar answers — such as wastewater project designs — to perhaps qualitatively different problems. As more distant technicians, not as sensitive as the attorneys to local conditions, the engineers are less effective in communicating information and advice to the councils.

#### Politics

Local political developments can have a profound effect on both the local city attorney and the consulting engineer from some distant community. The greatest danger — if the experiences from our small sample of communities hold true for others as well — lies in a change in council membership. A good example of this may be seen in the fate of a former Grassland attorney who had been associated with councilmembers, who in turn wound up on the losing side of a controversial effort to build a municipal swimming pool. The ostensible reason for his replacement by the newly-elected council was that his rates were too high. Interviews revealed, however, that his close association with the losing coalition was at least partly responsible.

Engineering consultants to small cities may be somewhat better insulated from such local developments because of

One type of project that all four cities were involved in was the design and construction of a new or improved wastewater treatment facility. This happened as a result of federal and state clean water requirements enacted during the 1970s for community sewer systems. These million-dollar-plus projects are easily the most expensive and complex construction activities ever engaged in by small cities. In addition to preparing plans and overseeing the contractors, engineers have helped cities apply for and administer the grants needed to finance the wastewater projects and serve as liaison with the state and federal agencies that enforce the regulations and administer the grant programs.

The average time spent on any particular community's business varies considerably depending on the nature of the project. One employee estimated that his firm put in a little over 300 hours in the course of a year to complete the facilities plan required for the phase 1 grant of the community's wastewater project.

As is true of the lawyers, the engineers maintain contact on routine matters through the city clerk. The engineering firms also communicate regularly with the employee in charge of operating the municipality's water and wastewater facilities. These operators, who are certified by the state, are able to provide technical information to the engineers.

Engineering consultants usually attend only those council meetings at which their projects are being discussed. Once a council has initiated a project, both parties usually find it necessary to place aspects of it on the agenda. On relatively routine undertakings, such as parking lot or street repairs, this may simply mean presenting and justifying bills, or giving progress reports. On more complex projects, such as the wastewater facility improvements, considerable time is often spent defining alternative designs and funding strategies. As a major project progresses, some changes in the original material and design specifications usually have to be made. These too require council approval. If time is of the essence, the mayor may contact an engineer directly and resolve an issue before the city council meets.

Normally one member of a firm is assigned to a project. The liaison person may call on other members of the firm if assistance is needed. This is often the case in wastewater projects where details pertaining to both grant administration and facility construction have to be managed.

## HOW THEY CONTRIBUTE TO THE GOVERNING PROCESS

Consulting engineers and attorneys assist their city councils and officials in numerous ways. They (1) help to define goals and issues, (2) provide continuity and direction in completing major undertakings, (3) provide access to other outside expertise, (4) absorb uncertainty, (5) serve as scapegoats for unpopular actions, and (6) provide general technical and administrative assistance.

Small-town councils sometimes do not know what they want done, which makes the goal-definition task that much more critical for the consultants. A good illustration of this is the tremendous difference between wanting an economical expansion of a wastewater treatment plant and obtaining a grant to complete the project. An engineering firm's expertise and the experience gained from similar projects elsewhere brings continuity and focus to the process. The consultants can also tap other more specialized outside sources, as Grassland's attorney did when he called in state and federal officials to help close and clean up the chemical waste site situated on the outskirts of the community.

Consultants are able to relieve councils of some of the responsibility of implementing unpopular state and federal mandates. For example, the engineering consultants helped the Nativity council justify the installation of new equipment in the water plant that would eventually be required by state health authorities. Sometimes the consultant — wittingly or unwittingly — serves as a scapegoat for local government officials, drawing the blame for problems that appear upon completion of a particular project. The dismissal of the first engineering firm that worked on the Topcorn wastewater project is a good example here.

Finally, consultants are often called upon to assist with a broad array of administrative tasks, from writing grant proposals to interpreting procedures. In Nativity and Acorn, city attorneys recently recodified local ordinances which had been recorded over the years in serial order. Engineering firms administer the wastewater grants received by small cities, which means handling the bulk of paperwork and routine contacts with state officials. As a result of their longstanding contacts with the small cities, and the files they keep on the communities' physical plants, the engineering firms also monitor the condition of the water and sewer systems.

## SOURCES OF COUNCIL-CONSULTANT TENSION

The relationship between the consultants and the small city governments is not always a smooth one. Tension often occurs between the producers and consumers of legal and engineering expertise. The tension may come about because councilmembers distrust the consultants and doubt the value of their advice. The result may be that major projects are delayed or that expert advice and information is ignored. Sometimes consultants and their municipal bosses even part company, as occurred in several of our communities in recent years. Generally, however, the consultants serve their cities for long terms, as shown in Table 1.

Recent events in the four Illinois communities suggest the following three sources of consultant-council tensions.

### Contrasting Objectives and Ambiguity

Perceptions of goals and objectives can differ markedly between communities and their engineering consultants. These differences seem to result from inherent differences in the interests of the two parties as well as a more general inability to come to terms on exactly what is to be done. For example, the city of Nativity found it difficult to get a grant to help finance the expansion of its wastewater treatment plant. The council worked with its engineers for more than two years to devise an acceptable proposal. Once, against the advice of the consultants, the city submitted an application which was rejected by the state EPA. Focusing on a short-term objective, the council sought to complete only the specific improvements necessary to get a state-imposed sewer ban lifted so that it would be more attractive to industry. The consulting engineers and state officials, however, were interested in longer term objectives, including the expansion of the plant's capacity to accommodate future growth. This would have required a more expensive project than the community desired.

Nativity councilmembers felt the engineers were insensitive to their particular situation, an observation repeated in other cities. The Nativity council recognized that the more expensive alternative would give the community a better plant in the long run, but they were fearful of the sharp increases in service charges (and possibly taxes) that would be required for the local part of construction costs and for the added maintenance of a larger plant.



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PLEAS WITHOUT BARGAINING: GUILTY PLEAS IN THE FELONY COURTS OF ILLINOIS,  
MICHIGAN AND PENNSYLVANIA

Peter F. Nardulli

Roy B. Flemming

It is widely agreed that the vast majority of convictions in criminal courts are the result of guilty pleas. There is also surprisingly little disagreement that most guilty pleas are a consequence of plea *bargaining*, of one form or another. Uncritical acceptance of the notion that guilty pleas are synonymous with bargaining has had several negative results. One of the most significant is that researchers overlook the outlines of two very different conceptions of the guilty plea process in answering the question: What makes the plea system work?

While most observers agree some form of trial penalty exists to encourage pleas (i.e., a more severe sentence will be given to defendants who are convicted after trial), they differ over how pleas are put together. These differences form the basis for two competing models. One could be termed the "concessions" model. Adherents of this model are normally vociferous critics of plea bargaining. Although they span the ideological spectrum, they are in general agreement that charging manipulations and sentencing concessions grease the wheels of justice. The other is the "consensus" model, which stresses the importance of shared understandings in lubricating the court's machinery. Concessions and explicit bargaining have a role to play, but they are restricted to a small subset of cases involving lengthy sentences, evidentiary deficiencies, or some other type of problem.

How two such different models of the guilty plea process could co-exist without attracting more comment can best be explained by reference to the tale of the blind men and the elephant. Depending upon their research technique and design, the type and location of court studied, ideological orientation, etc., plea bargaining researchers left their field sites with different perceptions of the guilty plea process. This suggests two observations. First, the two models are not mutually exclusive in the sense that all guilty pleas in a jurisdiction must result from a series of concessions or emerge from consensus. That is, both sets of blind men were correct as far as they went. A second instructive observation is that plea bargaining researchers too often have failed to document their field perceptions empirically. The perceptions became, in effect, covenants of faith. Moreover, no one rigorously examined their role in the guilty plea process.

Once these covenants of faith are acknowledged for what they are — hypotheses about the very essence of the guilty plea process — gaping holes in empirical research on criminal

court operations become quite evident. For example, to what extent do charge modifications characterize the guilty plea process? What is the nature of these modifications? What is the nature of sentencing patterns in plea cases, i.e., are sentences for a given offense characterized by wide disparities or narrow similarities? Answers to these important questions will provide insights into the nature of the guilty plea process and the ability of the competing models to portray it.

Looking only at the implications of the two models for the structure of the guilty plea process, two issues become apparent (see Figure 1). One is the role of charge reductions. Regardless of any other concessions, these are important because they can limit the defendant's legal liability at sentencing. The second issue concerns the role of what some term the "going rate," the normal range of sentences for a particular type of offense, which is largely based upon the historical practice within a given county. It is similar to the price of milk in a supermarket. While the price will vary in different parts of the country, consumers in any single area expect the price for a gallon of milk to be within a given range.

Figure 1 suggests that in a pure concessions model bargaining over guilty pleas will involve substantial revisions in the original legal exposure of defendants as counts are dropped and charges are reduced to satisfy the interests and goals of participants. Sentences will vary considerably not only because the participants change from one case to another, but also because the negotiating skills and resources of the actors will vary and be largely unrestrained by precedent. Modified versions of the concessions model would

describe processes characterized either largely by charge or by sentence bargaining.

Extensive charge manipulations involving substantial reductions would support the view that guilty pleas are the result of considerable horse trading and that give-and-take

URBANA-CHAMPAIGN

Figure 1

## EMPIRICAL DIMENSIONS OF GUILTY PLEA PROCESS

Changes in Defendants' Legal Exposure	Influence of Going Rates
Substantial Charge Reductions	Concessions Model (focus on charge bargaining)
Minimal Charge Reductions	Modified Concessions Model (focus on sentence bargaining)
	Consensus Model

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strengthened if there were also empirical evidence of wide ranging sentencing disparities (for the early, "untainted" charges) Without such evidence the charge manipulations would be vulnerable to the accusation that they are wholly symbolic, made only to mollify defendants, and that defendants are being duped

In contrast to the various versions of the concessions model, the consensus model predicts high levels of consistency on both dimensions Charge and count modifications will be relatively infrequent, and there will be minimal variation in sentences for comparable cases and circumstances If charging modifications are in fact infrequent, it would seem reasonable to conclude that common understandings and perceptions among court participants underlie the process and that participants are chiefly concerned with pigeonholing defendants, not with negotiating over relative advantages It follows that if there is charging consistency there must also be sentencing consistency Otherwise, it could be argued that beneath the placid surface of charge constancy a lively trade in guilty pleas is being conducted — with sentences as currency

## DATA SOURCES

To examine the level of charging and sentencing disparities, data from a broadly-based, intensive study of criminal courts in nine medium-sized counties (with populations ranging from 100,000 to 1,000,000) in Illinois, Michigan, and Pennsylvania were examined The Illinois counties were DuPage, Peoria, and St. Clair, the Michigan counties were Oakland, Kalamazoo, and Saginaw, the Pennsylvania counties were Montgomery, Dauphin, and Erie

The nine counties were selected to gauge the impact of two important county differences on criminal court operations: socioeconomic welfare and political attitudes To fulfill these criteria, one economically declining county (St. Clair, Saginaw, Erie), one autonomous county (Peoria, Kalamazoo, Dauphin), and one suburban ring county (DuPage, Oakland, Montgomery) was selected from each state.

It will be useful to describe some of the differences in the sites to demonstrate that the data do not represent any single, narrow slice of middle America Table 1 reports the economic and political characteristics of the nine counties The ring counties were the most prosperous — with per capita incomes hovering at about \$10,000 in 1979 The declining counties were far less prosperous, per capita incomes stood at somewhat over \$6,500 Politically, DuPage and Dauphin counties appear to be the most conservative, followed by Peoria and Montgomery counties The Michigan counties appear to be fairly moderate, while St. Clair and Erie counties are moderately liberal

## ILLINOIS GOVERNMENT RESEARCH

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The nine counties also showed some important differences in crime rates According to the FBI reports on violent personal crime rates (per 100,000 population) for the ten years preceding this study (1971-80), Peoria and St. Clair counties had the highest rates, Kalamazoo and Dauphin counties were far lower While two Michigan counties (Oakland and Saginaw) had fairly low personal offense rates, two of the ring counties (DuPage and Montgomery) and Erie had the lowest

It is obvious that these counties differ markedly even though they are all midsized American communities Indeed, they were selected because of their differences No claim is made that the criminal courts of these counties are in any way a representative sample They are not However, their diversity helps undercut the types of biases that often creep into findings based on only one or two locales

In these nine counties extensive case data on almost 7,500 felony defendants were collected The number of defendants ranged from 1,162 in St. Clair County to 594 in Erie County They represent roughly a year's cases in each county; the nine sets of cases, on balance, reflect about nine years of dispositions Most were disposed of during 1979 and 1980 In most counties all cases for a given time span were included in the sample However, in some counties systematic samples were used In addition, 300 interviews were conducted with the judges, prosecutors, and defense attorneys who handled the cases.

One last point should be made For the purposes of this paper the analysis rests on a merged pool of the county samples since the primary interest was in painting a broad picture The fusion of data from a variety of different jurisdictions insures that this picture will be fairly balanced.

## CHARGING MODIFICATIONS AND GUILTY PLEAS

The modification of charges pending against a defendant can have an important effect upon the decision to plead guilty because it limits his potential exposure to legal sanctions This exposure depends upon the severity and range of penalties associated with the charges lodged against him upon which he could be convicted and sentenced after a trial While the going rate for an offense normally limits the probable range of sentences, its outermost boundaries are still set by statute Modifying charges can, therefore, change potential exposure in ways that are either positive or negative for the defendant Because of the differences in potential and probable sentences — and the possibility that some charge reductions may be largely symbolic — the analysis of charge reduction is relatively involved and multifaceted First, we will look at the incidence and pattern of charge modifications Second, we will measure the magnitude of these changes.

### Frequency and Focus of Charge Modifications

Four empirical patterns of charge modification were found in guilty plea cases (1) no changes in charges, (2) a "pure" reduction in the number of counts or seriousness of offenses, (3) a "mixed" modification, with an enhancement of counts or charge seriousness later followed by a reduction, and (4) a straightforward enhancement in exposure through increases in the number of counts or charge seriousness Diagram 1 reports the frequency of these patterns

Complete consistency — no modifications in any count or charge from the time of arrest through final disposition — occurred in 60 percent of the cases "Pure" reductions were made in over a quarter of the cases (26.7 percent). Enhancements took place in roughly 13 percent of the cases, but the lion's share of these were "mixed" cases 71 percent of the enhancements were later mitigated through reductions Charge

**Table 1**  
**SELECTED MEASURES OF ENVIRONMENTAL AND STRUCTURAL CHARACTERISTICS**

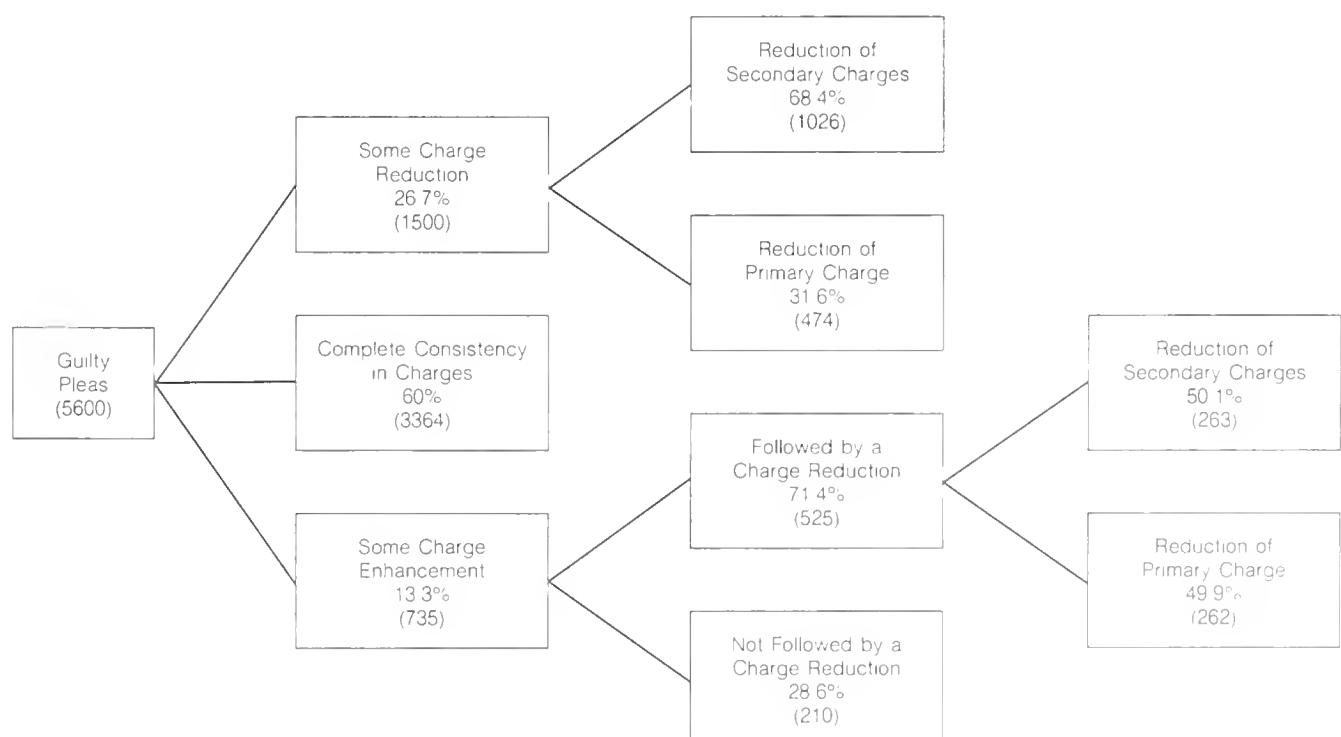
	DuPage (Ring)	Peoria (Autono- mous)	St. Clair (Declin- ing)	Oakland (Ring)	Kalamazoo (Autono- mous)	Saginaw (Declin- ing)	Montgomery (Ring)	Dauphin (Autono- mous)	Erie (Declin- ing)
Per Capita Income, 1979	10,495	8,388	6,550	10,675	7,776	7,263	9,764	7,581	6,680
Public Assistance Recipients (per 100,000 population) February 1980	713	4,689	12,409	3,202	5,838	9,778	1,569	5,165	5,361
Average vote for conservative presidential candidate(s) in "ideological" elections (1980, 1972, 1968, 1964)	68%	55%	43%	53%	53%	51%	56%	60%	46%
Overall Political Categorization	Conservative	Conservative	Moderately Liberal	Moderate	Moderate	Moderate	Moderately Conservative	Conservative	Moderately Liberal
FBI's UCR for offenses against persons (1971-1980 average, rate per 100,000 population)	205	860	792	442	582	333	201	520	243

<sup>a</sup> February 1980

<sup>b</sup> 1980, 1972, 1968, 1964

<sup>c</sup> 1971-80 average, rate per 100,000 population

**DIAGRAM 1**  
**CHARGE MODIFICATIONS FROM ARREST TO DISPOSITION, GUILTY PLEA CASES ONLY**



enhancements normally took place when the indictment or information was filed, reductions were made later on in trial court. Comparisons of the arrest and conviction charges show that this two-step process produced real reductions, and they should, therefore, be combined with the "pure" category to gain an accurate picture of concessions.

Together the two groups accounted for 36 percent of the entire pooled sample of cases, at first glance a rather sizable proportion. This should be qualified by the observation that the concessions usually focused on secondary or tertiary offenses, not the primary or most serious charge. For example, 68.4 percent of the "pure" reductions entailed alterations in these secondary charges. For the "mixed" cases, the proportion was 50.1 percent. Altogether only about 15 percent of the cases involved a reduction in the primary offense. As a final matter it bears mentioning that the number of true enhancements amounted to only 210 cases, or slightly less than 4 percent of the pooled sample. For this reason the following discussion generally concentrates on charge reductions.

Depending upon one's views these data show either too much charging manipulation or too little (i.e., the reductions of secondary offenses are insignificant and wholly symbolic, resulting in the deception of most defendants). While such an assessment is premature at this point, we cannot even begin to address such issues without comparing charge changes in guilty plea cases with those in trial convictions. Some adjustments are bound to occur in a process as complex as the criminal justice system. Hence, a certain level of charge reductions may not be unique to plea cases but simply inevitable within the dispositional process. Table 2 reports data on the incidence of a charge reduction by mode of conviction.

In general, charge modifications were neither ubiquitous in guilty plea cases nor rare in trial convictions. Reductions were significantly more likely (statistically speaking) in guilty plea cases than in the trial cases. But it also is quite evident that charge modifications were not unknown in trial convictions, due to dismissal or the acquittal of certain counts. Reductions were made in 30 percent of the trial cases, a figure not greatly dissimilar from that for guilty pleas (38.4 percent). The differences narrow when focusing on reductions of the primary charge; 10.9 percent of the convictions in trial cases were for reduced primary charges compared to 15.1 percent of the guilty pleas.

The fundamental similarity in the charge reduction patterns of guilty plea and trial cases introduces a certain element of ambiguity to the data reported in Diagram 1. The fact that yawning gaps do not appear by mode of conviction suggests that at least some of the charging concessions (which supposedly limit a defendant's legal exposure at sentencing) might have occurred even if a plea had not been submitted.

**Table 2**  
**INCIDENCE OF A CHARGE REDUCTION BY MODE OF CONVICTION**

	Guilty Plea	Trial Conviction
Any Charge Reduction	38.4%** (5462)	30%** (370)
Reduction of Primary Offense	15.1%* (5564)	10.9%* (387)

\* Significant at .05 level

\*\* Significant at .001 level

An examination of the magnitude of these concessions may erase some of this ambiguity.

### Magnitude of Charge Reductions

Modifications in defendants' potential legal exposure occurred roughly one-third of the time and most often involved only the secondary charges, leaving the primary charges untouched. Could these changes be largely symbolic? Or were they real concessions? To shed light on whether the reductions were meaningful or not, two measures of magnitude were used. The first was the number of counts dropped. The other was more refined and measured the change in probable or projected sentences due to charge reductions.

#### Count Drops

The most common form of charge concession in guilty plea cases was the dismissal of one or more counts in a multi-count indictment or information. Such drops occurred in 29.9 percent of the cases, as can be seen in Table 3. The average number of counts dropped (for the cases where a count drop occurred) ranged between 1 and 2 (mean = 1.7, median = 1.3). The counts dropped accounted for half of the counts charged (mean proportion of all counts dropped = .55, median = .50). Count drops occurred in only 23.1 percent of trial convictions, but the mean number dropped was 2.0 (median = 1.6), somewhat larger than the mean in guilty plea cases. Both statistics are significantly different from those in guilty plea cases, but substantively the differences are not very meaningful.

#### Projected Sentence

The analysis of count modifications is not totally satisfactory because it is crude and does not say much about their substantive significance. Its crudeness is due to the fact that it equates the dropping of a theft charge with a rape charge, and it misses cases involving only charge modifications unaccompanied by count modifications (e.g., reducing aggravated battery to simply battery). Also, the count analysis lacks strong substantive implications because the consequences of count modifications for any realistic assessment of a defendant's projected sentence are uncertain. Dropping the third and fourth counts of a "string" indictment may have little or no impact on the actual sentence.

To examine the magnitude of charge modifications, an "offense seriousness score" was constructed. It measures the differences between the original mix of charges and the final set. These offense seriousness scores are equivalent to the average sentence received in a county for a particular

**Table 3**  
**COUNT REDUCTIONS BY TYPE OF CONVICTION**

	Percent of all cases	Average number of counts dropped		Average counts dropped as a proportion of counts charged	
		Mean	Median	Mean	Median
Between Arrest and Disposition					
Guilty Pleas	29.9* (1622)	1.7*	1.3	.55	.50
Trial Convictions	23.1* (90)	2.0*	1.6	.54	.51

\* Significant at .01 level

**Table 4**  
**WEIGHTED CHARGE REDUCTIONS BY TYPE OF CONVICTION**

	Percent of all cases	Average weighted modification (in months)		Percentage of all weighted changes that are less than six months	Average weighted modifications as a proportion of weighted charges	
		Mean	Median		Mean	Median
Charge Reduction:						
Guilty Pleas	23.9 <sup>NS</sup> (965)	7.6 <sup>NS</sup>	1.4	79	39 <sup>NS</sup>	24
Trial Convictions	22.0 <sup>NS</sup> (62)	11.6 <sup>NS</sup>	1.1	79	40 <sup>NS</sup>	35

Note N S = Statistically not significant

offense. For example, if the average armed robbery sentence was 48.6 months, then the offense seriousness score would be 48.6. These scores were highly correlated ( $r = .70$ ) with the actual sentences, as one would guess, and gives us a good basis for estimating the impact of a charge reduction on a defendant's sentence. If a reduction is from an offense with an average sentence of 16.4 months to one with an average sentence of 12.4 months, we can project that the reduction is "worth" about 4 months at the sentencing state.<sup>1</sup>

Table 4 reports data on the changes in weighted seriousness scores between arrest and conviction. Almost a quarter of the guilty plea cases in this subset of most frequent offenses received a reduction in one of the first three arrest offenses. The mean projected sentencing value of these reductions was 7.6 months, but that figure is highly skewed by a handful of extreme cases. As the median value of 1.4 months indicates, half of those pleading guilty had charge reductions "worth" somewhat less than two months in projected sentence. Almost 80 percent of the defendants received reductions under six months.

Another way to view this is that, of all defendants who pleaded guilty, only about 5 percent received a charge concession likely to be "worth" at least six months. It should be remembered that the absolute level of charge reductions is limited by the projected sentence of the total package of charges. Thus it is important to note that the last two columns in Table 4 report the reductions as proportions of the summed seriousness scores. The mean value of these proportions is 39, and the median is 24. According to the median figure, then, the projected sentences of half of the defendants who pleaded guilty and received some form of charge reduction was cut by a quarter.

While these proportions seem fairly significant, it should be kept in mind that they represent less than one quarter of all guilty plea cases. Moreover, if these statistics, as well as the others reported in Table 4 are compared with the attrition of charges in trial cases (row 2), it is not at all clear that the charge reductions which do occur are real concessions. There

is no significant difference between plea and trial cases in terms of the proportion of cases receiving some charge reduction or the magnitude of charge reductions.

#### "Knockdown" Patterns in Primary Charges

The magnitude of reductions ("knockdowns") in sentencing exposure for defendants does not appear to be substantial. Count drops are common, but they usually focus on secondary charges. The sentencing impact of these changes is correspondingly limited, because second and third charges are not translated into units of punishment equal in weight to those of the primary charge. Most charge modifications, then, subtract very little from a defendant's probable sentence irrespective of what the penalties of the dropped or reduced charges may be in the criminal code. If more than symbolic alterations occur, the primary charge or major offense clearly must be changed. However, only about 15 percent of the cases had such changes. Although they are relatively rare events, there is merit in looking at what happens when primary charges are reduced to see if there is any pattern to the reductions and whether they are concentrated in a handful of charges. The analysis is again restricted to the basic types of offenses handled in the courts.

A relatively small number of charges were subject to knockdowns. The seven primary offenses listed in the first column of Table 5 accounted for 68 percent of all knockdowns in the pooled sample of cases. That the reductions were guided by fairly clear-cut decision rules is made clear by the fact that the reduced charges listed in the fourth column amounted to nearly half (45.6%) of all knockdown charges. In other words, when changes in primary charges took place, the odds were good that the offense was one of those listed in this table and that the charge to which it was reduced involved one of those arrayed in the "knockdown" column of the table. Reductions in primary charges, however, tended to concentrate in two charge categories — burglary and aggravated battery. Over 40 percent (44.1 percent) of all knockdowns occurred in cases with these charges. While serious, these offenses are not in the same league as murder, rape, and armed robbery which altogether accounted for about 16 percent of the knockdowns (134 cases in total). With the exception of theft and possession of hard drug cases, the other charges were more likely to lead to a conviction on reduced charges than what might be expected given their representation in the total pool of cases.

#### GOING RATES AND GUILTY PLEAS

Count modifications, and to a lesser extent changes in primary charges, occurred with some regularity in the courts, but their impact on sentencing was marginal at best. Reductions

<sup>1</sup> The existence of multi-count indictments compounded the difficulties of analysis somewhat because the impact on sentencing of a charge when it is listed as a second or third count on an indictment is not nearly as great as when it is the most serious count charged. To handle this problem, the average impact of second and third counts was estimated. These estimates were used to weight the impact of the second and third counts. Thus in the case of multi-count indictments, the offense seriousness score is a weighted, summed measure. The interpretation of changes in these scores, however, remains the same.

One last point should be mentioned. To enhance the reliability of the analysis, infrequent miscellaneous offenses were excluded from it. These offenses occurred too infrequently to obtain reliable measures of their seriousness. This eliminated about 28 percent of the guilty plea cases, but 4038 still remained for the analysis.

**Table 5**  
**COMMON KNOCKDOWN CHARGES**  
**(from arrest to trial court disposition)**

Original primary charge at arrest	Percentage of all knockdowns accounted for by this primary charge	Percentage of all cases at initial appearance	Common knockdowns	Percentage of all knockdowns
Murder	3.7 (31)	1.6	Manslaughter	2.7 (23)
Rape	4.8 (40)	2.0	Indecent Liberties	1.7 (6)
Armed Robbery	7.5 (63)	4.1	Lesser Sex Offense	1.3 (7)
Aggravated Battery	12.8 (108)	3.6	Aggravated Battery	8 (7)
Burglary	31.3 (264)	17.1	Unarmed Robbery	3.0 (25)
Theft	4.6 (39)	16.9	Theft	1.5 (13)
Possession of Hard Drugs	3.5 (30)	8.0	Simple Battery	4.4 (37)
Total	68.2	53.3	Aggravated Assault	2.9 (24)
			Interfering with Officer	1.2 (10)
			Theft	11.7 (99)
			Attempted Burglary	6.5 (55)
			Vandalism	4.3 (36)
			Disorderly Conduct	8 (7)
			Building Larceny	1.8 (15)
			Attempted Theft	1.4 (12)
			Possession of Controlled Substance	6 (5)
				45.6 (381)

of one kind or another typically shaved less than two months off probable sentences. About 15 percent of common felony offenses had primary charges altered, and nearly half of them involved burglary and aggravated battery cases. More surprising, perhaps, than the somewhat spotty occurrence and marginal effects of these modifications is the fact that similar patterns often prevailed in both guilty plea and trial conviction cases. Thus, charge modifications are not attributable solely to the widespread use of guilty pleas.

The argument that common perceptions and understandings characterize the guilty plea process to a greater extent than horse trading and explicit bargaining would seem to hold up well in the face of these results. However, it is possible that charge manipulations are superfluous, and hence less frequent than supposed, because courthouse participants concentrate their time and resources negotiating sentences, few of them have been buffaloeed into believing that count drops or charge reductions mean much. This argument is powerful in part because it is plausible but most of all because it raises new questions.

An important implication of this position is that there should be marked sentencing disparities. If bargaining and negotiation are rife throughout the courthouse "bazaar" and bartering over sentences is the *sine qua non* of the process, sentences ought to vary widely as workgroup combinations of personalities and skills shift from one case to the next. At a minimum, there should be wide disparities within charge categories. If they do not exist and sentences are tightly clustered within each offense type, it would be difficult to maintain the position that concessions grease the wheels of justice, especially in light of the limited and largely symbolic role of charge reductions found in the preceding section. Before this conclusion is warranted, however, the role of going rates in the guilty plea process must be assessed.

#### DETECTING "GOING RATES"

The notion of "going rates" has become popular among researchers, who find the guilty plea process more orderly than commonly perceived. The concept is, however, very difficult to define. Generally, establishing a link between

charges and sentences has been deemed sufficient. Thus, an ordinary or typical theft case may be "worth" probation, a burglary one or two years in prison, or an armed robbery may have a going rate of three years in prison. These are norms or averages. But what are the cut-off points in defining a going rate? An unstated assumption is that the distribution around these norms is narrow, but how narrow? For that matter, how dispersed can the distributions be before the idea loses its meaning? And why should it be assumed that each offense has only one going rate, especially given the varying criminal records of defendants? If charges do indeed have more than one going rate, how can one be distinguished from another?

To identify, examine, and define these clusters the distribution of sentences was examined for each offense within each county. We restricted the analysis to offenses that had ten defendants each (in a county) at the sentencing stage to insure that enough cases existed for a cluster to emerge. The examination of these clusters was a difficult process since it had to be sensitive to competing concerns. Obviously the wider the span, the greater the number of cases that would fall within a cluster. At the same time, the actual distribution of sentences might be obscured by unrealistically stringent criteria. Thus the working definitions used in the "search" process needed a measure of slack.

It turned out that a three-month span would be a serviceable rule of thumb in the initial search, ultimately, however, the vast majority of the spans turned out to be narrower and tighter. Indeed, 90 percent of the cases were classified in "point" clusters (i.e., clusters that had no spans). Most offenses in a county had two clusters — a probation cluster and a "low" cluster. A handful of serious offenses also had an identifiable "high" cluster. If we examine all clusters, 98 percent (encompassing 97.7 percent of all cases) had spans of three months or less.

#### Sentencing Clusters and Guilty Pleas

The larger the proportion of cases not encompassed by the clusters, the less relevant going rates are to the guilty plea

Table 6

## THE DISTRIBUTION OF SENTENCING CLUSTERS BY MODE OF CONVICTION

Type of Sentencing Cluster	Percentage of Qualifying Guilty Plea Cases*	Percentage of Qualifying Trial Conviction Cases*
Probation Cluster	65.8 (2759)	38.7 (91)
Between Probation and Low Cluster	7.4 (302)	11.9 (28)
Low Cluster	11.1 (457)	11.9 (28)
Between Low Cluster and High Cluster	7.3 (298)	21.7 (51)
High Cluster	2.6 (106)	1.7 (4)
Above High Cluster	2.5 (104)	6.0 (14)
No Cluster	3.8 (155)	8.1 (19)
Total	100.0 (4181)	100.0 (235)

\* These data exclude 1072 cases involving convictions of non-regular offenses (i.e., not one of the 13 offenses discussed in the text)

process. The first column of Table 6 presents the data on this question for defendants who pleaded guilty.

When the three major clusters are combined, they include 79 percent of the guilty plea cases. Going rates clearly play a prominent role in determining sentences in guilty plea cases. The fact that the probation cluster had 65.3 percent of the cases does not diminish the significance of these findings, the simple reality is that many felony cases involve first offenders or people convicted of routine crimes who receive minimal punishment. What is not apparent from this table is that proportionately fewer cases are located in clusters as the charges mount in seriousness and hence sentencing latitude. The correlation between offense seriousness and being in a cluster is - .29, indicating that sentence bargaining is concentrated in the more serious cases.

Are the sentencing norms represented by these clusters as effective in constraining sentencing after a trial conviction? The short answer is No. While nearly 79 percent of the plea cases fell within one cluster or another, only 52.3 percent of the trial cases did, a difference that is statistically significant well beyond the .001 level. As the second column of Table 6 indicates, the probation cluster includes proportionately fewer cases and the "off-cluster" categories include more, raising the possibility of a trial penalty that moves defendants who fail to plead guilty "up a notch" in the sentencing hierarchy.

Table 6 suggests that sentencing is dominated by a small handful of going rates for a specific offense, but it cannot reveal whether the pigeonholing process was consistent. The assignment of going rates to defendants could be distorted by bartering or capriciousness. An examination of the criminal records of the defendants in various clusters provides some insight into the consistency of this assignment procedure. To do this a trichotomized criminal record variable was constructed. About half of the defendants were first offenders, and these were assigned a separate category. The remaining half were divided roughly in half based on whether they had less serious or more serious records. This variable was then

Table 7

THE COMPOSITION OF SENTENCE CATEGORIES BY DEFENDANT'S PRIOR RECORD  
(guilty plea cases only)

	No Prior Record	Moderate Criminal Record	Serious Criminal Record
Probation Cluster	65.0 (1431)	25.0 (550)	10.0 (220)
Low Cluster	31.0 (104)	33.1 (111)	35.8 (120)
High Cluster	11 (8)	35.6 (26)	53.4 (39)

crosstabulated with the three cluster categories to produce Table 7

In general, the matches were consonant with what might be expected as there was a moderately high association between criminal record and cluster placement. This is scarcely surprising, of course. But it does show that the classification of defendants was not grossly distorted by unreasonable decision rules. For instance, 65 percent of the probation cluster comprised first offenders, while only 10 percent of the defendants had serious criminal histories. The low cluster has fairly equal representations of each set of defendants, suggesting that other factors (aggravating or mitigating circumstances, bargaining positions, victim-defendant relationship, etc.) may affect placement in this grouping. Since these defendants had neither the least serious nor the worst criminal records, there may have been more ambiguity as to the appropriateness of sentences and more room for disagreement. A look at the high cluster dispels such uncertainty, since it is clearly a mirror image of the probation cluster. This third cluster is dominated by more serious offenders; 53.4 percent of the defendants had extensive criminal histories. Only 11 percent of the defendants in the high cluster were first offenders.

## CONCLUSIONS

This study confirms the suspicions expressed in recent plea bargaining research that the popular concessions view of plea bargaining has impeded the development of a more refined understanding of the guilty plea process. More importantly, the data on guilty plea outcomes from nine very different counties are quite inconsistent with this perspective.

While some charge reductions occurred in about 35 percent of guilty plea cases, there was complete consistency in 60 percent of those cases. Moreover, most of the charge reductions involved secondary or tertiary offenses; only 15 percent of the guilty plea cases involved a reduction in the most serious, primary offense.

The notion that most charge concessions are largely symbolic is reinforced by the analysis of their projected impact on sentence. The average projected reduction was less than two months of incarceration, and that occurred only in that one quarter or so of the guilty plea cases involving reductions in one of the first three counts. Perhaps even more startling is the fact that the charge reduction patterns in guilty plea cases were not meaningfully different from those in trial cases.

The data on sentencing patterns are very consistent with those on charging, and confirm the strong role of going rates. Over 79 percent of the defendants who pleaded guilty to a particular offense fell within one of three sets of going rates (a probation cluster, a low cluster, a high cluster). Cluster

assignment was heavily influenced by the defendant's criminal record.

While one could develop the implications of these findings along several lines, two seem most fruitful. The first concerns our understanding of the dispositional process. Perhaps the most obvious implication here is that while the concessions model may explain an important fragment of the guilty plea process, it is but a fragment. The consensus model provides a more realistic perspective from which to explain how routine policies and courthouse culture shape the guilty plea process. However, the two are not mutually exclusive.

Equally important are the policy implications of these findings. They speak to those who would abolish plea bargaining and replace it with some modified trial form, such as prevailed in the United States in the mid-nineteenth century or as presently exists in some West European systems.

The data suggest that the costs of a plea oriented dispositional process are not as great as many had earlier presumed. Many felony cases involve mundane situations which are currently handled in a routinized, consistent manner. To dispose of these cases by means of a trial would lead to the demise of the trial as we now know it. To accommodate the increased flow of cases would inevitably entail many modifications in trial procedure, some of which may not be salutary. More importantly, the large volume of "undisputed disputes" would dull the sensitivities of those charged with the responsibility of conducting trials. Ultimately trials could become less effective in cases where they are most needed.



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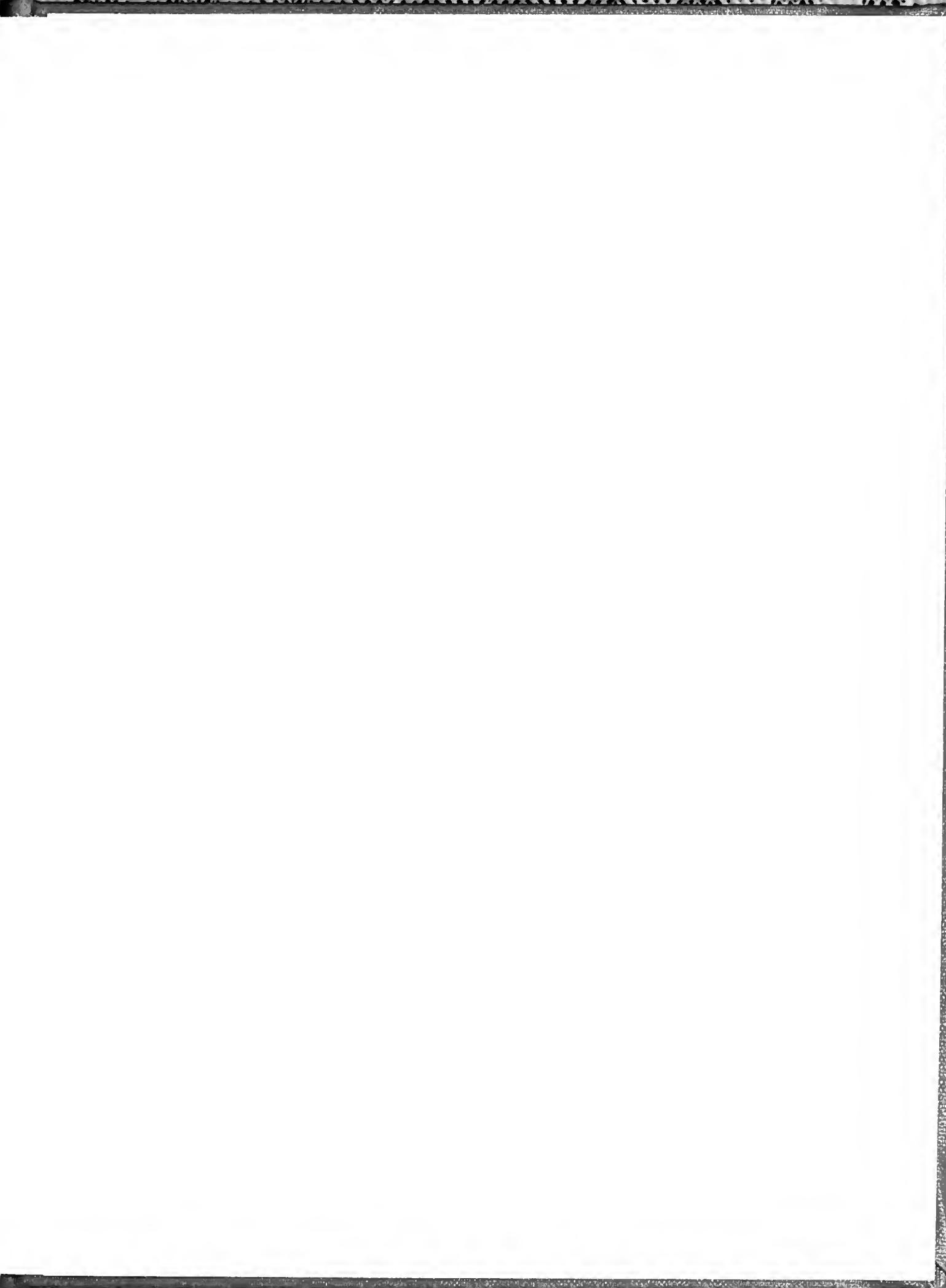
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